

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



Held on Thursday 3rd December 2015 at 6.30pm

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

Members:
(* present)

- Councillor Frank Abe
- Councillor Joginder Bal
- * Councillor Anthony Chadley
- * Councillor Carol Jackson-Doerge
- * Councillor John Lenton (*from 6.45pm*)
- * Councillor Iain McCracken, Chairman
- * Councillor Ishrat Shah (*from 6.45pm*)
- * Councillor Jane Stanford-Beale

In Attendance:

- Billy Allen (Head of Procurement, HOP)
- Conor Byrne (Chief Finance Officer, CFO)
- David Guest (External Auditor, Ernst & Young)
- Dan Harris (Baker Tilly)
- Becci Jefferies (Head of HR and Learning Development, HHRLD)
- Linda Pye (Clerk)
- Nikki Richards (Head of Business Information and Systems, HBIS)
- Fayth Rowe (Committee Officer, CO)
- Paul Southern (Assistant Chief Fire Officer, ACFO)

Action

42. APOLOGIES FOR ABSENCE

Apologies for inability to attend the meeting had been received from Councillors Frank Abe and Joginder Bal.

43. 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.

44. MINUTES OF THE MEETINGS HELD ON 17th SEPTEMBER 2015

Resolved:

That the Minutes of the meeting held on 17th September 2015 be approved as a true and correct record and signed by the Chairman.

Recording of Training on Firewatch – Nikki Richards confirmed that the five medium risks identified had been completed and that further developments were being looked at. Progress with the Firewatch 7.5 system would be included within the quarterly performance report.

Audit Results Report – ISA260, Draft Management Representation Letter

and Draft Statement of Accounts – Conor Byrne explained the reason why the 'benefits paid' figure in the table on page 72 of the agenda had increased from 2013/14 to 2014/15 under the Local Government Pension Scheme. This was due to an increase in the number of retiree and lump sum payments.

Councillor Iain McCracken asked if the Task and Finish Group had looked at the proposal to pass approval of the accounts to the Audit and Governance Committee. Nikki Richards responded that this had not yet been reported to the Fire Authority.

Corporate Plan and Integrated Risk Management Plan – Nikki Richards confirmed that CSP's had been included in the Corporate Plan document.

Performance Management Framework – Interventions in schools in the Slough area - The ACFO confirmed that a meeting with Slough Members was in the process of being arranged.

Charter for Member Development – 18 Month Review – Nikki Richards to check whether Anne-Marie Scott and Nick Oxborough had met with Councillor Frank Abe on the way forward in relation to Member development.

Transition Fund Update – Councillor Iain McCracken asked if the Transition Fund was picking up co-location. Nikki Richards clarified that co-location was being funded from the Transformation Fund. Councillor McCracken asked how the co-location agenda was progressing. The ACFO confirmed that co-location opportunities were currently being discussed and put forward for funding and had been considered at the Budget Working Party meeting the previous evening. A Part II update would be provided at the next Fire Authority meeting.

Quarterly Performance Report 2015/16 (Quarter 1) – At the last meeting Councillor Iain McCracken had asked if 'reputational risk' could be included in the Corporate Risk Register. Nikki Richards confirmed that this was one of the impacts and would therefore link to something specific – it was not a category on its own. Councillor McCracken then asked if reputational risk could be clarified in the Risk Register itself. Nikki Richards advised that often reputational risk was a criteria of risk but was often not the main concern. For example, if the Fire Control Centre was not able to take calls there would be a reputational risk for the Fire Authority but the main issue would be how it could keep the community safe and respond to emergencies.

45. CONSIDERATION OF ANY MATTERS PROPERLY REFERRED TO THE COMMITTEE FOR DECISION

There were no items properly referred to the Committee for decision.

46. INTERNAL AUDIT PROGRESS REPORT

Conor Byrne, the Chief Finance Officer (CFO) and Dan Harris from Baker Tilly, informed the Committee of progress with the Internal Audit Plan for 2015/16. The Internal Audit Plan for 2015/16 had been approved by the Audit & Governance Committee on 30th March 2015 and the latest progress report was attached at Appendix A. The Firefighter Pension Audit was attached as Appendix B and the Thematic Review of Fuel Cards was attached as Appendix C.

Appendix A - Dan Harris advised that no common weaknesses had been

identified within the audit reports so far for 2015/16 and no findings to date would impact negatively on the Head of Internal Audit opinion.

It was noted that Management had requested that the Contract Management review should be removed from the Internal Audit Plan as it would not add any further value to the recent consultancy work.

The date for the IT review had been delayed as discussions were continuing between management and the IT audit team on the scope of the work. A revised date of 22nd February 2016 had been scheduled in and the findings would be presented to the Audit and Governance meeting in March/April 2016.

Appendix B – Firefighter Pension Administration – Dan Harris confirmed that the review assessed the design and application of the control environment around the management of firefighter pensions and had found no significant issues. Sample testing confirmed compliance with controls. One action had been agreed by management to address the findings – it would be necessary to ensure that all future pension account reconciliations were signed and dated by both the preparer and the reviewer.

The contract with Liberata for the pension administration processes expired on 31st March 2016 and would need to either be re-tendered or extended if the terms of the contract allowed that. It was noted that this would be taken to CMT through the internal mechanisms and the Fire Authority would not need to be involved unless there were any particular issues.

Appendix C – Thematic Review – Fuel Cards – This thematic review did not seek to provide an opinion but advised each of the four Authorities of the common themes from all four audits. There were a number of common controls and issues identified. One issue where cross sharing of current practice could be beneficial was that whilst all authorities still utilised some elements of paper based fuel management such as the submission of fuel logs, another Authority utilised the system VECTEC which linked to the onsite fuel storage, and this could aid in monitoring of fuel usage and be used for reporting. A number of recommendations were set out in the report. It was clarified that the other three authorities which had taken part in the review were Essex, Cambridgeshire and Bedfordshire.

RESOLVED that:

- The report be noted.

47. EXTERNAL AUDIT UPDATE

David Guest, (Ernst & Young), provided the Committee with an update from the External Auditors. Ernst & Young's Annual Audit Letter was attached as Appendix A and summarised the outcomes from the audit of the 2014/15 Statement of Accounts. There were no issues which needed to be reported to Members of the Committee.

David Guest confirmed that at the next Audit and Governance Committee meeting the Audit Plan for 2016/17 would be presented. He also advised that the contract with Ernst & Young would expire in 2017 and RBFRS would then be able to appoint its own auditors as from 2018/19 via a tendering exercise. This applied to all local authorities, NHS etc. Billy Allen confirmed that the value of expenditure would dictate the procurement process required. Councillor Iain

McCracken asked where discussions on this would take place. The Chief Finance Officer confirmed that this would be something that Audit and Governance would need to have a discussion on and it was therefore agreed that an agenda item would need to be scheduled in on the Forward Plan. David Guest stated that additional information might be available in the near future which might focus discussions on the way forward.

FR to note

RESOLVED that:

- The External Audit update be noted.

48. STATEMENT OF ASSURANCE

Paul Southern, Assistant Chief Fire Officer (ACFO), provided the Committee with a copy of the Statement of Assurance for the financial year 2014/15 for sign off.

The Statement had been prepared and published in accordance with a requirement set out in the Fire and Rescue National Framework for England (July 2012) and would be published on the website to provide an accessible way in which communities, Government, local authorities and other partners might make an assessment of RBFA's overall performance. The following summary judgements had been made for each of the four key areas of focus and evidence to support those judgements together with any information on identified areas for improvement and details of steps taken to address them, if necessary, were set out in Appendices B to E:

Financial – requirements associated with the appropriate management of financial matters were fully met.

Governance – requirements associated with appropriate business practice, high standards of conduct and sound governance were substantially met.

Operational – requirements associated with operational matters were substantially met.

National Framework – requirements associated with the Fire and Rescue National Framework for England had been substantially met.

Nikki Richards advised that the Fire Authority had also been reviewed by Cambridgeshire Fire Authority. RBFRS had undertaken a self assessment which had been ratified by Cambridgeshire and therefore the Fire Authority had in effect been assessed twice in the current year.

Councillor Iain McCracken referred to page 22 of the agenda where Contract Management had been included under the heading Areas for Future Assurance. He queried whether that was a legitimate issue. The ACFO agreed that that might need to be amended but Nikki Richards stated that it might still be relevant as it would be a backward looking audit.

RESOLVED that:

- The summary judgements for each of the four key areas of Finance, Governance, Operations and delivering the National Framework be agreed;
- The RBFA Statement of Assurance for 2014/15 be agreed.

49. AMENDMENTS TO RBFRS CONTRACT STANDING ORDERS

Billy Allen, Head of Procurement (HOP), informed and shared some of the amendments received following the recommendations from Councillor Iain McCracken and he advised on other amendments proposed.

RBFRS Contract Standing Orders needed to be amended on at least a bi-annual basis to reflect the changes in the EU Official Journal of the European Union (OJEU) financial thresholds which were reset every two years in January with the next change due in January 2016. In addition, the RBFRS Contract Standing Orders should reflect any process, compliance and governance changes within RBFRS.

The following key amendments had been made to the Contract Standing Orders:

- **Removal of any ambiguity around delegation and ownership** – where the existing Contract Standing Orders were ambiguous in relation to accountability or delegation of powers, this had now been clarified.
- **Clarity around the new EU legislation** – Further clarity had been provided in relation to questions raised by Members on the relationship between English and EU law.
- **The monitoring and management of the Contract Standing Orders** – the Contract Standing Orders had been amended to ensure greater control of expenditure and greater oversight from the procurement function in the day to day management of contracts.

The RBFRS Contract Standing Orders would need to come back to Audit & Governance in March 2016 with further amendments.

Councillor Iain McCracken asked if he could be provided with a tracked change version in order that he could easily identify the changes which had been made.

BA to action

RESOLVED that:

- (1) The amended Contract Standing Orders be recommended to the Fire Authority for final approval;
- (2) It be agreed that a further update of Contract Standing Orders should be completed for the March 2016 Audit & Governance meeting to reflect the following:
 - Forthcoming changes in EU Financial Thresholds from 1st January 2016;
 - Changes in internal roles within RBFRS – New Heads of Service financial authority limits to be reviewed;
 - Recommendations from the A&G Committee and Chairman.

50. ROYAL BERKSHIRE FIRE AUTHORITY – PAY POLICY STATEMENT 2016/17

Becci Jefferies, Head of HR and Learning Development (HHRLD), sought the

views of the Committee on the draft Pay Policy Statement for 2016/17 prepared for the Fire Authority to meet its obligations under Section 38 (1) of the Localism Act 2011 and to recommend the draft statement to the Fire Authority subject to any comments received from this Committee.

Sections 38 to 43 of the Localism Act 2011 required that relevant authorities in England should prepare a Pay Policy Statement for each financial year. Pay Policy Statements had to be approved by a meeting of the full Fire Authority and subsequently published.

A draft Pay Policy Statement for the RBFA for the forthcoming year (2016/17) was attached at Appendix 1 to the report. This Pay Policy Statement reflected the current position regarding pay and benefits and a tracked change version was attached at Appendix 2 which highlighted the changes which had been made. It included the salary arrangements in place at the time of drafting the statement for consideration by the Audit & Governance Committee. Prior to publication, the statement would be updated to reflect any changes arising from organisational restructuring and the outcome of the review of local pay arrangements and terms and conditions.

An independent review of the car user schemes and allowances had been undertaken and recommendations were currently being considered by the Corporate Management Team. Once finalised the new proposed arrangements would be subject to consultation with representative bodies and agreed outcomes would be included in the 2016/17 Pay Policy Statement.

The statement also referred to the new compulsory Living Wage of £7.20 per hour to workers over 25 years of age that would come into force in April 2016. However, it was noted that the minimum salary currently utilised within the Fire Authority exceeded this amount.

The mechanism and timing for the assessment of the entitlement to a Continuous Professional Development payment might be adjusted, subject to consultation with representative bodies and would therefore require a small amendment to the statement prior to publication.

It had not been necessary to amend the format of the Pay Policy Statement but it would be necessary to further amend the statement to incorporate final pay figures before the statement was published and figures would be based on figures available as at the 1st December 2015.

Councillor Iain McCracken asked if the report would come back to Audit & Governance prior to consideration at the Fire Authority. Becci Jefferies confirmed that it would not and Councillor McCracken therefore asked if a list of any changes could be provided for members of the Audit & Governance Committee.

BJ to action

RESOLVED that:

- The draft Pay Policy Statement was considered by the Audit & Governance Committee and any further amendments were made as they considered to be appropriate;
- It be recommended that the Fire Authority approve the Pay Policy Statement 2016/17 subject to Members' comments.

51. FEEDBACK ON THE PEER REVIEW OPERATIONAL ASSESSMENT – MID POINT REVIEW

Nikki Richards, Head of Business Information and Systems (HBIS), provided the Committee with feedback from the Operational Assessment Peer Review Team at their mid-point review.

Appendix 1 to the report provided a summary of a self assessment of progress to date by RBFRS Officers compared with comments from the Operational Assessment Peer Review Team.

Operational Assessment (Op A) Peer Review was developed following the abolition of the audit and inspection regime and the national performance framework and they were central to a shift that had been made to sector-led improvement and greater local accountability. The Op A peer review was delivered at no direct cost to the Fire Authority and was carried out in February 2014. The final report had been received in September 2014 and when the initial findings had been presented to the Fire Authority an offer had been made to return in 18 months to review progress.

RBFRS Officers had developed a programme of events which gave the review team the opportunity to talk to staff and Members in regard to progress. In advance of the visit Officers had supplied a large portfolio of evidence together with a summary of self assessment of progress highlighting actions taken to address the suggested area to explore, described in the final report. The two day visit had culminated in a feedback session to the Management Committee Members plus the Chairs of the other Fire Authority Committees and Working Parties. Feedback from the review team had been positive and nine key messages had been provided from the return visit as set out below:

- Feels like a different organisation – more business like
- Staff believe CMT and the Fire Authority have been transformed
- Relationship between Officers and Members vastly improved
- Trust has improved: between Officers, Members, middle managers and wider staff
- Improved Member engagement and governance
- Confidence in the leadership and direction of CMT
- Improved culture – listening and involving
- Keep the focus on community outcomes
- MoU with Cambridgeshire FRS providing peer challenge of operational element for Statement of Assurance – notable practice

This was the first time that the Fire Authority had received a mid point review and feedback provided suggested that this had worked well.

RESOLVED that:

The feedback on progress from the Operational Assessment Peer Review Team at their mid-point review be noted as outlined in Appendix 1.

52. REVIEW OF BUYING PROCESSES AND CONTROLS

Billy Allen, Head of Procurement (HOP), presented a report which set out the findings of the Baker Tilly audit of the review of buying processes and controls

and the agreed action plan. The final version of the Baker Tilly report was set out in Appendix 1 which included the agreed action plan which had been implemented by Officers. The proposed actions were now outlined showing ownership, timeframes and level of priority.

At the end of 2014/15 it had been identified that the organisation was using a significant number of Single Tender Actions (STAs) to authorise spend for IT contracts and systems. These STAs had also quite often been retrospective and the ability to demonstrate the appropriateness of an STA was not always clearly evident. The potential inappropriate use of STAs could have significant business, legal and reputational risk for RBFA and RBFRS.

Following direction from Members the new Corporate Management Team had been carrying out a series of 'deep dive' audits and reviews on the internal control procedures within the Authority and this audit was one of the first to take place.

The audit report set out the scope of the audit, the conclusions of the auditors, significant detail on individual contracts and processes audited and an action plan to resolve the issues identified.

The HOP confirmed that some activities had already taken place and it was planned that a workshop would be provided which would look at expenditure and procurement. A workshop would also be arranged which would cover the tender process and how they should be evaluated.

RESOLVED that:

- The findings of the Baker Tilly audit be noted;
- The Officers' agreed action plan be noted.

53. UPDATE ON PROGRESS ON RECOMMENDATIONS LOG ACTIONS

Nikki Richards, Head of Business Information and Systems (HBIS), provided the Committee with an update on progress of actions captured on the Recommendations Log, as requested by the Chairman of Audit & Governance at the meeting in June 2015. Appendix 1 provided a summary of progress to date of 14 recommendations from the 134 active recommendations (just over 10%). Action had been taken for all the recommendations. Five were complete, for one recommendation the initial action was complete but further ongoing work was required, seven were due for completion by 31st March 2016 or earlier and one was due for completion in September 2016.

Shortly after the current DCFO joined RBFRS he had commissioned a piece of work to create a recommendations log to pull together extant recommendations from reports generated within and on behalf of the organisation. The log was set up as a straightforward spreadsheet which was easy to access but was limited in that it did not produce reports and human effort was required to search information and update.

The log contained recommendations from 16 reports the oldest of which was from 2010. In total 374 recommendations had been listed and just under half of these were over three years old. Following a number of actions by Officers over 60% of the recommendations had been closed and/or completed, leaving 134 active. Monitoring of the remaining active recommendations would be through

performance discussions between Directors and Heads of Service by monitoring progress against service and project plans.

Councillor Iain McCracken stated that he would like to see this item on the agenda for the next Audit & Governance meeting in March 2016. This should include progress on the current 14 recommendations and a further dip sample. He referred to recommendations 4 and 6 on page 75 of the agenda which suggested that recommendation 4 was not yet complete as in recommendation 6 the expected completion date was 30th September 2016. The HBIS confirmed that recommendation 4 was in relation to the development of the People Strategy and one of the elements of that was the implementation of the review of middle manager roles and structure. They were two separate recommendations but Nikki Richards confirmed that she would amend the text to make that clear.

NR to action

Councillor Jane Stanford-Beale confirmed that the IRMP Working Party were currently looking at response standards (Recommendation 2).

RESOLVED that:

- The progress made with a sample of actions from the Recommendations Log was noted;
- A further report would be brought back to the next Audit & Governance meeting on 23rd March 2016 giving an update on progress with the 14 current recommendations listed and also a further dip sample.

54. TRANSITION FUND UPDATE

Conor Byrne, Chief Finance Officer (CFO), informed the Committee of bids which had been approved from the Transition Fund during Quarter 2 of 2015/16.

As part of the 2015/16 budget, the Fire Authority had approved the setting up of a £2m Transition Fund in order to redesign the service to achieve the new strategic direction and to balance the budget in the medium term.

Categories of expenditure included:

- Additional temporary staff to manage and deliver projects
- Redundancies
- Leadership programme
- Investment in collaborative initiatives, such as co-responding
- Investment to generate income, including the new trading company
- Investment in areas related to the new policy direction, such as purchasing equipment, training etc.
- Pump-priming new initiatives that would be funded by commissioning bodies in the longer term

Each bid for transition funding had been considered by the Corporate Management Team and bid submissions and decisions were set out in Appendix A. It was noted that some bids had been rejected by CMT as not being suitable for financing from the transition fund as they did not meet the necessary criteria. Where the proposed project was felt to be of value, funding from existing budgets had been approved instead. During Quarter 2 of 2015/16 £579,124 of the Transition Fund had been allocated and the total expenditure to date was £380,092.52

Conor Byrne confirmed that this report had also been presented to the Budget Working Party who had suggested that it would be useful for Key Performance Indicators (KPIs)/SMART targets to be provided in future to measure performance. It was felt that these would aid understanding of projects being delivered by the Authority and their performance, particularly externally. These would therefore be included from Quarter 3.

CB to action

Councillor Iain McCracken referred to page 86 of the agenda and in particular the bid for a staff satisfaction survey to inform areas of priority for the OD programme at a cost of £9k. This equated to a sum of around £15 per person and that seemed to be an excessive cost. The ACFO responded that this survey was more comprehensive and informed and would enable further detailed analysis to address issues. The HHRLD confirmed that the need for further analysis of the results of the survey was essential in order to provide feedback. Councillor McCracken requested that the text in relation to that item be updated.

CB to action

Councillor John Lenton noted that it did not specify why bids had been rejected. The ACFO stated that one example could be that some bids were submitted by Directors or Heads of Service who held their own service budgets and it was therefore not always necessary to draw down on the Transition Fund. He confirmed that the reason why a bid had been rejected would be included in future reports.

CB to action

Councillor Iain McCracken also noted that no timeline had been included and it would be useful to have a sense of when this money needed to be spent.

CB to action

RESOLVED that:

- The report be noted.

55. REVIEW OF MONITORING OFFICER AND COMMITTEE SERVICES ARRANGEMENTS

Paul Southern, the Assistant Chief Fire Officer (ACFO), updated the Committee on Committee Services arrangements with West Berkshire Council together with a review of the Monitoring Officer arrangements.

At its meeting on 14th January 2015, the Fire Authority had approved the co-operation agreement with West Berkshire Council for the provision of Committee Services and it had appointed the Deputy Chief Fire Officer as the Monitoring Officer for the Fire Authority. It was agreed that the Audit & Governance Committee would undertake a review of the revised arrangements in 12 months' time.

Committee Services: The contract with West Berkshire Council commenced on 15th January 2015 for a period of 3 years, with the ability for the fire Authority to terminate in advance, on 12 months' notice. The contract services provided under the contractual arrangement were set out in Appendix 1 to the report. Each requirement within the arrangement had been met to date and would be enhanced with the introduction of Modern.gov committee software system which would be used by the RBFRS Committee Officer and two colleagues from West Berkshire. This system would streamline the collation, handling and administration of committee papers and was already in use at West Berkshire Council who would host a discreet instance within their IT infrastructure on behalf of the Fire Authority. The software was due to go live in early January

2016.

It was noted that regular meetings had been held with the RBFRS Committee Officer and West Berkshire colleagues to check the progress of the agreement and it was felt that good working relationships had been formed and the arrangements worked well and were providing the additional resilience desired. Informal feedback from the Chairs of the various Committees had also been positive.

Monitoring Officer: The Deputy Chief Fire Officer/Director of Strategy and Risk, had been appointed Monitoring Officer on 14th January 2015. As the DCFO was not legally qualified it was agreed that arrangements would be put in place to ensure that he had access to the legal advice necessary to carry out the functions of the role. These arrangements had been put in place with the Monitoring Officer of Buckinghamshire and Milton Keynes Fire Authority. The DCFO had also attended a number of conferences and training events linked to the Monitoring Officer role.

Over the past 11 months this arrangement had worked very effectively and the Monitoring Officer from Buckinghamshire and Milton Keynes Fire Authority had been heavily involved in redrafting the Authority's Constitution and providing legal advice on emerging issues. Significant progress had been made on a number of areas of the Monitoring Officer's responsibility and having considered the effectiveness of the arrangements in place since January 2015 it was recommended that these arrangements be extended on a permanent basis with further reviews in 12 and 24 months' time.

RESOLVED that:

- The update on the co-operation agreement with West Berkshire Council for the provision of Committee Services be noted;
- The update on the Monitoring Officer role and achievements since appointment in January 2015 be noted;
- It be recommended to the Fire Authority that these arrangements should be implemented on a permanent basis with further reviews by the Audit & Governance Committee in 12 and 24 months' time.

56. MEMBER ATTENDANCE AND ALLOWANCE BI-ANNUAL UPDATE

Paul Southern, Assistant Chief Fire Officer, presented a bi-annual update on Royal Berkshire Fire Authority Member Attendance and Allowances.

The Audit and Governance Committee became responsible for governance on 28th June 2012 and had provided six month and annual reports on Members' attendance and allowances received. The attendance of Fire Authority Members for the period 24th June 2015 to 31 October 2015 was set out in Appendix A to the report. The appendix also highlighted any date changes and/or cancellations as it was recognised that such changes could be difficult to accommodate due to the various diary pressures that Members faced.

It was noted that the six months since the annual meeting had been busy with three Task and Finish Groups had been established to examine the Structure of the Fire Authority, Fleet and the contractual issues around Newsham Court. The Newsham Court Task and Finish Group would hold its first meeting on 11th

November 2015 and that would be reflected in the annual update reported to this Committee later in the year.

To date, the overall attendance at meetings had been good, with no meetings being inquorate. Most absences had either been due to a meeting clash or holidays and, when received, had been in good time. However, there were occasions when apologies for absence had not been received and this was recorded in the appendix as 'Did not Attend' (DNA). Although it was impossible to avoid meeting clashes with six Unitary Authorities, the Committee Team had examined ways to minimise the number of meetings which had to be rearranged and would be implementing a new method of scheduling meetings in 2016/17.

The Fire Authority adopted a Scheme of Allowances at its meeting on 25th September 2013 and did not need to be reviewed until 2017 unless there were significant changes to the structure of the Fire Authority recommended by the Task and Finish Group. Members' allowances for the same period were set out in Appendix B.

It was noted that Members found meeting date changes difficult to manage and that often they had local authority obligations which meant that they would not always be able to attend Fire Authority meetings. Councillor John Lenton felt that it was important that Members attended the Fire Authority meetings and that a higher level of liaison with the local authorities was required. Fayth Rowe confirmed that it was proposed that this year it was proposed to wait until the Berkshire unitaries had set their meetings before setting the Fire Authority meeting schedule. However, sometimes it was necessary to change meeting dates and these were often arranged around the Chair and his/her availability.

Councillor Carol Jackson-Doerge asked how recognition for attendance could be measured as it was not always a Member's fault when a meeting date was rearranged.

Councillor Iain McCracken stated that attendance statistics were available on the website for his local authority and a notation was always included if he was attending another meeting on behalf of the local authority. He felt that it would be useful if the reason for not attending a meeting was included on the spreadsheet. Fayth Rowe confirmed that wherever possible a reason for non-attendance would be sought and this was work in progress.

It was agreed that a discussion should take place with the Chairman of the Fire Authority as to whether good attendance should be recognised by the Fire Authority and also ways of addressing poor attendance.

RESOLVED that:

- The report be noted;
- A discussion to take place with the Chairman of the Fire Authority as to whether good attendance should be recognised by the Fire Authority and to look at ways to address poor attendance.

**57. QUARTERLY PERFORMANCE REPORT (2015/16) – QUARTER 1
(JULY – SEPTEMBER 2015)**

Nikki Richards, Head of Business Information and Systems (HBIS), provided the Committee with an overview of RBFRS's second quarter (July-September)

performance for the 2015/16 financial year. This was the first quarterly performance report to present information against measures and targets agreed by the Fire Authority for 2015/16.

Reporting Anomalies: Through the development of the new performance management framework, work had been undertaken to develop good quality performance information, which had made it clear that some anomalies existed in how performance information had been presented and reported in the past and the attached report explained in full what those anomalies were. The Fire Authority had previously used a process known as 'checked failures' which meant that information on performance against the Fire Authority's response standards was subject to local checking prior to reporting. Failures which fitted within certain criteria were excluded from reporting figures and therefore the process of scrutiny was less effective. To ensure that future performance reporting was both meaningful and transparent, the checked failures process had now been stopped and therefore the performance data in this area might show a significant drop in performance from that previously reported. The validity of the data held for the 2009-2012 period was now questionable.

Q2 Data Accuracy Issues: Much of the data required for performance reporting under 'service provision' came from incident data which was captured via the Thames Valley Fire Control Service (TVFCS) 'Vision' system. A number of issues remained with the system and work to align the outputs from Vision and the required fields for performance monitoring had been significant over the last few months and had improved the quality and accuracy of data. However, the volume of work required to provide full and accurate reporting against the new corporate measures and targets was significant and therefore gaps remained in a number of areas.

Further data accuracy issues had arisen because of data feeds from the Incident Recording System (IRS) and these were being remade through SQL rather than from Access Database which had taken a while to complete.

The attached report had been reviewed by the Strategic Performance Board which was chaired by the DCFO to ensure issues and corrective actions were listed at the front of the report and it had also been reviewed and discussed at Corporate Management Team (CMT) to ensure any strategic issues were addressed.

Councillor Iain McCracken suggested that an additional recommendation should be included that the Fire Authority should be made aware of the issue in relation to checked failures and that assumptions might have been made based on incorrect data. He asked for an assurance that the correct method of collecting data would be used going forward and the ACFO confirmed that the data going forward would be correct.

Councillor McCracken referred to page 8 Appendix A and he noted that some of the measures were reporting much lower than the targets and he asked whether the Fire Authority was confident that targets would be achieved at year end. Nikki Richards confirmed that some targets had been set at the time of the checked failures and it would be necessary to go back and look at those targets to see whether any revisions were required. Councillor McCracken asked if the Fire Authority could also be made aware that some of the performance targets might need to be revised.

Councillor Jane Stanford-Beale noted that the measure in relation to time to

mobilise within 120 seconds was 67.8% whereas the target was 85%. The ACFO confirmed that poor initial targets were beginning to show improvement as operators became familiar with the system and further improvements were expected as one to one targeted staff training was put in place.

RESOLVED that:

- The performance against Service Provision and Corporate Health measures against targets agreed by the Fire Authority for 2015/16 be noted;
- The progress made on the two priority programmes be noted;
- The position of corporate risk (specifically progress of Accident Investigations, the Corporate Risk Register and progress against internal audits) be noted.
- The Fire Authority to be made aware of the issue in relation to checked failures and that assumptions might have been made based on incorrect data and consequently that some performance targets might need to be revised.

58. EMERGENCY SERVICES MOBILE COMMUNICATIONS PROGRAMME

Paul Southern, the Assistant Chief Fire Officer, updated Members on the Emergency Services Mobile Communications Programme.

The Board was aligned with the Police and Ambulance Services and had looked at the local procurement of devices as well as nationally. It might be that the Fire Service had a different need and there was a possibility of national fire procurement with a catalogue of devices which could be selected from.

In relation to the fit out of vehicles there could be an opportunity to generate income if this could be done by the Fire Service.

It was likely that funding would be provided on a like for like basis and some fire authorities would be better off and some worse, however, at present there was no clarity over this. A meeting would take place on 14th December 2015 where it was hoped that further information would be available.

The mobile service EE would need to build 181 masts across the country in a short period of time and the majority would need planning permission as the sites were in an Area of Outstanding Natural Beauty.

The legal challenge by Airway was still not determined and it was likely that clarity would not be forthcoming until that was completed.

Councillor Iain McCracken felt that the situation was farcical. The Airways contract had been extended and the likelihood was that the Fire Service would not want the same equipment as the police. There did not seem to be any sense of forward motion and no certainty. He asked what was meant by funding on a like for like basis. Nikki Richards confirmed that grant funding was currently received from the DCLG. RBFRS was likely to be unaffected but other fire authorities might be impacted. The grant funding was an annual payment which would cease once the ESMC came in.

Billy Allen confirmed that in relation to the legal challenge the worst case scenario would be that if found incorrect the procurement process would have to

stop and it would need to start all over again which could be a significant risk.

Councillor Iain McCracken asked what the timeline was on this. The ACFO confirmed that the position might be clearer after the meeting on 14th December 2015. The team was being kept well informed and as soon as any information was available then they would respond.

Councillor John Lenton asked why new masts were required – could they not just add on to the existing. The ACFO responded that the system needed to be sustainable and resilient as it was to be used by all emergency services.

Councillor McCracken noted that the Airwave contract expired in 2018 and he asked if that could be linked to the grant. The ACFO confirmed that nothing specific had been mentioned in relation to withdrawing the grant. He shared Members concerns and frustration and confirmed that he would circulate a briefing note to Audit & Governance Members following the meeting on 14th December 2015.

PS to action

RESOLVED that:

- The update be noted;
- The ACFO to circulate a briefing note updating Members of Audit & Government following the meeting on 14th December 2015.

59. MEMBER DEVELOPMENT UPDATE

Becci Jefferies, Head of HR and Learning Development (HHRLD) reported that at the September meeting Members had discussed the midpoint review against the South East Employers Charter.

Members discussed development more widely and the value of continuing to pursue accreditation against the Charter. Members considered a recommendation that Member development be embedded into the Organisational Development programme of work, where it most logically sat, and therefore in future would be monitored via Management Committee. The Committee agreed that further discussions between the DPOD and the Member Champion would take place and a final recommendation brought back to this meeting. Those discussions were now complete and were in line with the recommendations discussed at the last meeting – i.e. that Member development be incorporated into the OD Programme and reported, as part of that, via the OD Board and Management Committee. As this would embed Member development into the wider leadership development plan and would be part of our progress towards the Investors in People Standard, consideration was also given as to whether the SEE Charter into the future should be pursued. It was therefore recommended that in handing over reporting of Member development to the OD Board and MC Members that a decision on whether to pursue the Charter in the future should be made by the next meeting of the OD Board.

RESOLVED that:

- The report be noted.

41. DATE OF NEXT MEETING

Wednesday 23rd March 2016 at 6.30pm, Room 301, Brigade Headquarters, Newsham Court, Pincents Kiln, Calcot, Reading, Berkshire RG31 7SD

42. ANY OTHER BUSINESS

Councillor John Lenton updated Members of the Audit & Governance Committee on developments in the investment reform policy for the Local Government Pension Scheme. A letter received from Marcus Jones MP had been circulated to Members on Monday 7th December 2015 and he asked if any Members of Audit & Governance had any concerns that they wanted to raise.

Councillor Lenton advised that at the July 2015 Budget, the Chancellor announced the intention to work with local authorities to develop proposals for pooling their pension scheme assets in order to deliver savings and help funds contribute to the infrastructure investment needed to grow the economy.

Administering authorities were being asked to develop up to six 'British Wealth Funds', with at least £25 billion of Scheme assets in each. The criteria also called on authorities to be more ambitious in their investment in infrastructure and encourage them to compare themselves against the example set by the leading global pension fund investors in this respect. In addition, the criteria would drive the reduction of costs and the achievement of excellent value for money, while further promoting strong governance and decision making.

Alongside the criteria, a consultation on draft investment regulations was being published which proposed to update the existing legislation governing the Scheme's investments to facilitate large-scale asset pooling and otherwise ensure that the Scheme was able to take advantage of new and innovative investment practices. The draft regulations also contained provisions that would allow the Secretary of State to intervene in the investment functions of administering authorities who were not sufficiently ambitious in their asset pooling arrangements, or who otherwise failed to invest in line with Secretary of State published guidance.

Fire authorities were being asked to put forward their views on the initial proposals by 16th January 2016.

Councillor Iain McCracken felt that this ought to be brought to the Fire Authority meeting on 16th December 2015 as a 'to follow' paper in order that Members had an opportunity to discuss and comment.

RESOLVED that:

- A report to be taken to the Fire Authority meeting on 16th December 2015 as a 'to follow' paper in order that Members had an opportunity to discuss and comment.

(The meeting concluded at 8.10 pm)