

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



Held on Thursday 12 September 2013 at 6.30pm

**Strategic Command Centre, Headquarters, Royal Berkshire Fire and
Rescue Service, Dee Road, Tilehurst, Reading, Berkshire, RG30 4FS**

Committee Members: *Councillor Diana Coad (*from 6.40pm*)
Councillor Andrew Cumpsty, *(Cllr Webster substituting)
*Councillor Haqeeq Dar
Councillor John Lenton
*Councillor Iain McCracken, Chairman
Councillor Mohammed Rasib
Councillor Rebecca Rye
Councillor Alan Ward, *(Cllr Dudley Substituting),
**present*

In Attendance: Conor Byrne (Senior Accountant, SA)
Eddie Cardoso (Station Manager, Performance Review, SMPR)
Daniel Harris (RSM Tenon, DH)
Andy Mancey (Acting Assistant Chief Fire Officer, A/ACFO)
Caroline Redzikowska (Director, Corporate Services, DCS)
Carolyn Rowe (Interim Head of Corporate Services, HCS)
Paul Southern (Acting Deputy Chief Fire Officer, A/DCFO)
Andrew Vallance (Director Resources, DR)
Graham West (Ernst & Young, EY) (part)

Action

195. APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Andrew Cumpsty (Cllr Emma Webster substituting), Cllr John Lenton, Cllr Mohammed Rasib, Cllr Rebecca Rye and Cllr Alan Ward (Cllr Colin Dudley substituting)..

196. DECLARATIONS OF INTEREST

In accordance with the provisions of the Fire Authority's Local Code of Conduct, the DCS confirmed that a dispensation had been granted at the Annual Fire Authority meeting for the Item on Members Allowances.

Cllr Dudley declared a non pecuniary interest regarding the Item 7 as a Director of the Training Company.

The Director, Corporate Services also declared a non pecuniary interest regarding the Training Company reported in item 7.

197. MINUTES OF THE MEETINGS HELD ON 9 MAY 2013 AND 26 JUNE 2013.

Resolved:

- a) That the minutes of the meeting held on 9 May 2013 be approved for signing by the Chairman; and
- b) That the minutes of the meeting held on 26 June 2013 be approved for signing by the Chairman.

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

None referred.

199. ANNUAL AUDIT RESULTS REPORT, MANAGEMENT REPRESENTATION LETTER, AND DRAFT STATEMENT OF ACCOUNTS 2012/13

Graham West from Ernst & Young (EY) conveyed apologies from Kate Handy, and introduced the report. He advised that it was a good set of accounts and working papers, with no material issues arising. He advised that the size of issue which would constitute materiality was £600,000, and that a sum of £45,000 would be worthy of mention. There were no issues in either category. Once a letter from KPMG regarding the pension fund had been received which was expected shortly, the assessment would be complete he expected to issue an unqualified opinion.

(Cllr Coad arrived at this point).

EY confirmed that there were no issues of compliance, and in response to Member questions he advised of the following:

- in stating there were no significant weaknesses in internal control, it was terminology, and there had been no weaknesses found in the key controls that had been looked at;
- under Value for Money, the word "have" should be added : "RBFA have put in place proper arrangements";
- Whole of Government Accounts related to the completion of a standard set of accounts so that they may be consolidated nationally. RBFA falls below the level (£300million) where this is required so a check for consistency in three or four areas is all that is done.

The Chairman raised whether, in the light of the Training Company being identified as an issue in the Auditors report, this needed to be pursued.

SA confirmed that there had been an improvement this financial year due both to savings that had been made and to the market improving, but it was agreed that a verbal update be provided to each meeting of the Management Committee by Cllr Dudley as a Director of the Training Company.

The Chairman asked about the sum of £9million in the bank and also about any financial pressures from contingency planning.

DR advised that much of this would be for the new BHQ and Fire Station. With

EY

SA/Cllr
Dudley

regard to contingency planning, there had been some expenditure and it would depend on the nature of the action. It was agreed to defer this matter to consider under part II.

Resolved:

- a) That the Audit Results Report be noted, and
- b) That the management representation letter be approved for signing by the Chairman of Audit and Governance Committee, and
- c) That the 2012/13 Statement of Accounts be recommended to the Fire Authority for approval.

200. MEMBERS SCHEME OF ALLOWANCES

DCS introduced the report which had been commissioned from South East Employers. She advised members that a 1% Local Government raise had been awarded from April 2013 under the National Joint Councils agreement, and that this same indexing was due to Members under their scheme.

Cllr Webster suggested that Members may wish to decide whether or not to take the raise.

Two **amendments** to correct to the Executive Summary were identified as follows:

It was the **IRMP** working party (not IRPM), and also the total per post holder amount for the DAG Chairman should read **£3,600**, not £10,800. It was agreed the report should be **amended** accordingly.

Members spoke in support of the independent report that had been undertaken and it was

Resolved:

- a) That the Independent Report from South East Employers be noted; and
- b) That it be agreed that the Report, **as amended**, be recommended to the Fire Authority.

201. INTERNAL AUDIT PROGRESS REPORT

The Director of Resources (DR) introduced the Internal Auditor Daniel Harris from the RSM Tenon who outlined the report. He advised that there were no negative assurance opinions and that adequate controls were in place. He advised that he would be issuing a Client Briefing on the risk of fraud when amending supplier accounts, and this would come to the Committee.

DR advised that because the peer review had been postponed to February, he was suggesting that the risk management and governance audit be moved from Q3 to Q4. The Chairman in accepting this requested that it should not be delayed any further.

Resolved:

That the Internal Audit Progress Report be noted.

DCS

DR/SA

DR

202. PROGRESS TOWARDS THE CHARTER FOR MEMBER DEVELOPMENT

The DCS introduced the regular update, and thanked Members who were working with Officers towards attaining the Charter.

Responses to Member questions included:

- An interview with S E Employers was expected towards the end of the year;
- If Members wished to pursue Charter plus once Charter status had been achieved, the DCS would be delighted, and this would be a decision for Members.

Cllr Webster asked that thanks to GM Nick Oxborough were recorded and commented that continual development was very important, recognising that some Members had been on the Fire Authority for a number of years.

In response to how to develop a greater engagement from Members, the Chairman suggested that Members be asked further about their development at their Unitary Authority, and as part of this, both he and Cllr Dudley offered to share their 360 degree report to assist officers.

The Chairman asked that the Committee's thanks be passed on to GM Nick Oxborough and it was **resolved:**

that the report be noted..

203. QUARTERLY PERFORMANCE REPORT

Station Manager (Performance Review) Eddie Cardoso introduced the report. He stated that, in the period measured in the report RBFRS had attended a fire in a non domestic building for every 127 buildings in the County, and that there had been one accidental dwelling fire per day (in an area of 353,000 dwellings).

In response to questions regarding how and why the performance data had altered, Members were advised that how categories were defined and measured, may be different over time.

A/DCFO Paul Southern advised Members that it had been identified that a complete review of performance management and monitoring was required, and he would be chairing a group to undertake this. He added that Members would be invited to be involved.

A/DCFO

The Chairman said that he would welcome being involved, and emphasised the importance of getting clarity on the baseline data, and, given the issue of the variations identified, for this work to be done. It was agreed that the recommendations **be amended to reflect the setting up of the working party.**

Resolved:

- a) That the report be noted, and
- b) **That with regard to the performance data, it was noted that a working party chaired by Acting Deputy Chief Fire Officer Paul Southern was being set up.**

A/DCFO

204. FUEL MANAGEMENT AUDIT

A/ACFO Andy Mancey provided a verbal report. He advised the Committee that the issues arising from the Fuel Management Audit were being taken very seriously.

The recommendations by the Auditors had been implemented and the purchase of an automated system (as supported by Members of Audit and Governance Committee) would now happen, albeit the priority being given to contingency planning, may cause some delay.

A/ACFO advised that internal officer checks have improved significantly albeit they were not perfect, and all officers had received written instructions.

There were now regular checks to ensure the correct processes were being followed. No fuel had been unaccounted for, but clearly the systems had needed updating.

Cllr Dudley asked who was accountable, and on being advised it was the Station Commander, stated that whilst no member had ever thought there had been theft, the Station Commander should be clearly accountable both for any fuel lost, but also for the procedure not being followed.

A/ACFO advised that he had recently visited two stations and he had been reassured that managers were aware that the procedures must be followed.

Cllr Webster advised that she had not found any problems when she had made visits.

The Chairman endorsed Cllr Dudley's view and it was agreed that whilst there was no suggestion of misappropriation, it was very important to nail down the process.

Cllr Dudley commented that good records and processes protected officers from impropriety.

The Chairman noted that this area was scheduled for an Internal Audit in February 2014, and that there would be a report back to the Committee.

A/ACFO

DR/SA

Resolved

That the report be noted.

205. DATE OF NEXT MEETING

Thursday 28 November 2013 at 6.30pm in the Strategic Command Centre at BHQ.

Cllr Dar advised that he, Cllr Rasib, Cllr Coad often have clashes with Slough meetings of either Planning or Employment and Appeals.

This was noted, and the Chairman asked with regard to the dates that had been set, given both Authorities published dates well in advance, whether Members could arrange a substitute in good time.

206. 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 Paragraphs 1, 2, 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.

207. PART II MINUTES OF THE MEETING ON 9 MAY 2013

Resolved:

That the Part II minutes of the meeting held on 9 May 2013 be approved for signing by the Chairman.

208. ANNUAL AUDIT RESULTS REPORT, MANAGEMENT REPRESENTATION LETTER, AND DRAFT STATEMENT OF ACCOUNTS 2012/13

Members considered the possible impact of contingency planning and possible industrial action on resources.

It was agreed that the annual report on FOIs with is taken to the Management Committee, be also brought to the Audit and Governance Committee.

Resolved

That the verbal update be noted.

DCS

The meeting finished at 8.10 pm