

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



Held on Thursday 17th September 2015 at 6.30pm

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

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

In Attendance: Conor Byrne (Head of Finance, HOF)
SM Eddie Cardoso (FBU Representative)
Andy Fry (Chief Fire Officer, CFO)
David Guest (External Auditor, Ernst & Young)
Dan Harris (Baker Tilly)
Simon Jefferies (Area Manager (Risk Management))
Linda Pye (Clerk)
Nikki Richards (Business Transformation Manager, BTM)
Fayth Rowe (Committee Officer, CO)
Paul Southern (Assistant Chief Fire Officer, ACFO)
David Stopforth (Performance Information Officer)

Action

23. APOLOGIES FOR ABSENCE

Apologies for inability to attend the meeting had been received from Councillors Anthony Chadley and Carol Jackson-Doerge.

24. 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.

25. MINUTES OF THE MEETINGS HELD ON 24th and 29th JUNE 2015

Resolved:

That the Minutes of the meetings held on 24th and 29th June 2015 be approved as a true and correct record and signed by the Chairman.

Internal Audit Annual Report for 2014/15 – IT Investment – In response to a query from Councillor Frank Abe in relation to a number of the Authority's servers

running on Windows 2003 it was confirmed that a number of bids for investment had been included in the capital programme and this would be considered at a future Strategic Asset Management Committee meeting.

Recording of Training on Firewatch – The Chairman asked whether the five medium risks identified which had required action within 3 to 6 months had been completed. Nikki Richards confirmed that she would follow this action up.

BTM

The Chairman also referred to the new Firewatch 7.5 system which had been purchased and he asked how this was progressing. Nikki Richards reported that the new system had been installed and tested and upgrades would continue to be rolled out within the Service.

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

It was noted that no further amendments had been made to the Constitution and Handbook by members of this Committee following its last meeting on 29th June 2015.

27. AUDIT RESULTS REPORT – ISA 260, DRAFT MANAGEMENT REPRESENTATION LETTER AND DRAFT STATEMENT OF ACCOUNTS

Conor Byrne, Head of Finance (HOF) and David Guest (External Auditor, Ernst & Young), presented a report which asked the Committee to note the contents of the Audit Results Report, to approve the management representation letter and to review the draft Statement of Accounts for 2014/15.

The Audit Results Report summarised Ernst & Young's findings in relation to its audit of the 2014/15 Statement of Accounts and was attached at Appendix A. The management representation letter was attached to the report at Appendix B and the draft Statement of Accounts at Appendix C.

The HOF confirmed that it was normal practice for the Statement of Accounts to be signed off by the Audit and Governance Committee. The current arrangements, whereby the Statement of Accounts were signed off by the full Fire Authority, had been put in place at a time when the Audit and Governance Committee had not existed. It was therefore proposed that in future years the Audit and Governance Committee would approve the accounts which would mean that sign off could potentially be achieved in July rather than September.

The HOF referred to page 16 of Appendix C which set out the movement in Reserves. He talked through the increases/decreases which had occurred in the year. The balance as at 31st March 2015 was a deficit of £314,544 which was a result of the pension deficit. However, this would not be a Fire Authority liability as it would be covered off by an increase in pension contributions and a top up from Central Government.

Councillor John Lenton referred to page 64 of the agenda and asked what the figure of £2,904k was under Section 8.18 Assets Held for Sale. It was noted that this was in relation to the old Windsor Fire Station. He also queried the 'benefits paid' figure in the table on page 72 of the agenda which seemed to have increased considerably from 2013/14 to 2014/15 under the Local Government Pension Scheme. The HOF confirmed that he would report back to Councillor Lenton on the reason for the increase.

HOF

Councillor Iain McCracken queried why it was now proposed to pass approval of the accounts to the Audit and Governance Committee. The HOF stated that the Audit and Governance Committee was a more appropriate forum for the signing off of accounts and this was common practice within local authorities and fire authorities. It would also make the process smoother and quicker. RBFRS was currently the only Fire Authority where the accounts were not signed off by Audit and Governance. Councillor McCracken asked if an assurance could be given that this proposal was legally sound. Nikki Richards confirmed that it could be considered by the Task and Finish Group which was currently looking at various roles and responsibilities.

RESOLVED that:

- The Audit Results Report be noted;
- The management representation letter be approved;
- The Fire Authority be recommended to approve the 2014/15 Statement of Accounts;
- Subject to confirmation that the process was sound it be recommended to the Fire Authority that in future years the approval of the Statement of Accounts should reside with the Audit and Governance Committee.

28. REVIEW OF BUYING PROCESSES AND CONTROLS

Nikki Richards, Business Transformation Manager (BTM), presented a report for the Audit and Governance Committee to note the findings of the Baker Tilly audit of the review of buying processes and controls and the agreed action plan.

At the end of 2014/15 it had been identified that the organisation had been using a significant number of Single Tender Actions (STAs) to authorise spend for IT contracts and systems. Additionally, these STAs had 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.

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 the first of those 'deep dive' reviews. The audit report set out in Appendix 1 to the report covered 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.

It was noted that the sample used was not random and was highly skewed towards single source tenders and/or buying outside the Procurement function. Therefore any procurement involving the Procurement function fell outside the scope of this review.

Councillor Frank Abe specifically referred to section 3.6 of the report where it stated that 'In addition, we have not performed a legal and commercial review of the contracts and risks that the RBF&R faces.' He asked why that was the case. Dan Harris from Baker Tilly responded that that would have been a bigger piece of work and was therefore outside the scope of the review. Councillor John Lenton stated that the review had looked at 29 suppliers – a smaller sample could have been used as he felt that contracts tended to remain unaltered and therefore it was worth

undertaking a check.

Councillor Iain McCracken had concerns in relation to the results of the review and he felt that further work was required. The BTM confirmed that work had commenced to address some of the issues in the Action Plan where six areas of concern had been raised. Four of those had been identified as being a high priority and measures had already been put in place to mitigate the risk.

The Committee went through the Action Plan in detail as follows:

<p>1.</p>	<p>Single Tender:</p> <p>RBF&R should only allow exemption from Standing Orders 20 and 21, where the robust compliance with the criteria could be clearly demonstrated.</p>		<p>This had already been implemented and was covered in the item later on in the agenda in relation to Standing Orders. The issue had been around internal processes whereby the evidence of urgency had not always been in place to support compliance. Further training would be provided to Officers to enable them to understand the process and to avoid similar instances occurring.</p>
<p>2.</p>	<p>Contract Standing Order:</p> <p>RBF&R needed to review the Contract Standing Orders to ensure that they:</p> <ul style="list-style-type: none"> • Reflected the recently updated Public Procurement Regulations; and • Clearly outlined the role of the procurement team in all stages of the contract life-cycle 		<p>This had also been covered in agenda item 9 Amendments to Contract Standing Orders and would be taken to the Fire Authority meeting in September 2015 for approval.</p>
<p>3.</p>	<p>Value for Money:</p> <p>RBF&R should:</p> <ul style="list-style-type: none"> • Introduce procurement and contract management processes and controls to achieve vfm. It was acknowledged that RBF&R was due to introduce a gateway process in the future to control non-PO spent, however tactical measures like this needed to run parallel to long term sustainable changes for example collaborative working with other fire 		<p>As part of the new Head of Service restructure Finance and Procurement would be combined to ensure more effective control and Value for Money management.</p> <p>A programme of procurement and finance training would also be rolled out as part of the on-going Organisational Development programme. Training would also be provided on how to use Standing Orders.</p>

	<p>authorities etc.</p> <ul style="list-style-type: none"> • Introduce a programme of commercial contract reviews to ensure value for money was being achieved on current contracts, especially where vfm clauses such as open book audit or access to information/ audit had never been invoked; • Ensure that all future contracts contained contract management and value for money levers such as open book, audit rights, contract reviews and benchmarking. 		
<p>4.</p>	<p>RBF&R wide life-cycle contract management protocol and training should be developed in consultation with all key stakeholders. This should provide sufficient knowledge and guidance to enable contract managers; service heads and budget holders to implement a tailored set of contract management procedures in line with the contracts in question, covering the key operational, contractual and commercial risk areas. The extent of contract management should be reflective of a contract's size and strategic importance to RBF&R which should be based on pre-determined criteria; and</p> <p>The roll out of RBF&R wide life-cycle contract management protocol and training should be sponsored and championed by the top management.</p>		<p>An interim solution was in place at present until the management restructure had been completed. A 'gatekeeper' would be appointed to look at which contracts should be reviewed.</p> <p>Appropriate procurement processes and training were being developed and implemented and training would be rolled out as part of the wide OD skills programme.</p>
<p>5.</p>	<p>Finance and procurement commercial capability and capacity:</p> <p>RBF&R should consider the capacity and capability of the finance and procurement team, especially in the context of enhanced focus on vfm through third party suppliers.</p>		<p>RBFRS were currently consulting with staff on a new management structure which would combine Finance and Procurement. This would increase capability, capacity and resilience. Additional capacity and capability had also been added through two new</p>

			procurement specialist staff.
6.	<p>Finance and life-cycle contract management processes:</p> <p>RBF&R should consider the extent to which the current processes (procurement and finance) would be able to support RBF&R's ambition to improve procurement and contract management; and achieve its vfm strategic objectives.</p> <p>A central repository of contracts, related schedules, frameworks, variations and other contract related documents should be created. The central repository should be maintained electronically to ensure it could be accessed with ease by all relevant parties.</p>	●	<p>A review of finance and procurement processes would be completed once the new structure had been implemented.</p> <p>Additional staff would be provided in the short term.</p> <p>A simple central repository would be created for contracts, schedules, framework and variations.</p>

Councillor Frank Abe referred to the appointment of a 'gatekeeper' and he asked whether this was a function which should have been provided by Legal. However, it was noted that the issue was not about the legality of the process but about the process itself i.e. was the Fire Authority doing what it said it was doing. The Procurement function was not always being involved in the procedure to determine whether a full EU procurement process was required.

Councillor Iain McCracken was concerned that there seemed to be a total lack of control with no-one monitoring contracts. He referred to section 4.1.1 which had looked specifically at the Firelink Project Agreement with the Department of Communities and Local Government (DCLG). The second bullet point in that section stated that 'The fire authority does not have sight of the contract with Firelink citing, "DCLG refusing to share the contract" as a reason'. Councillor McCracken asked how it was possible that DCLG had not shared the contract and how the Fire Authority could sign up to something it had not seen. He suggested that the Fire Authority should write to DCLG on this issue. Councillor McCracken also made reference to section 4.1.4 Various IT Contracts and in particular to the sentence which stated 'However there is no evidence to demonstrate the market engagement and options appraisal.' Section 4.1.5 Corona also contained a statement that 'we were unable to identify the framework used.' Councillor McCracken therefore asked that the audit review should be brought back to the next meeting of the Committee in December 2015 together with a more comprehensive action plan. The CFO agreed that the action plan did not necessarily need to be expanded but that it did need to provide evidence that it would address the issues raised in the review.

RESOLVED that:

- The findings of the Baker Tilly audit and the Officer action plan be noted;

- A revised report would be brought back to the next Audit and Governance meeting on 3rd December 2015.

29. MEMORANDUM OF UNDERSTANDING BETWEEN CAMBRIDGESHIRE FIRE AUTHORITY AND ROYAL BERKSHIRE FIRE AUTHORITY

Nikki Richards, Business Transformation Manager (BTM), presented a proposed Memorandum of Understanding (MoU) between Cambridgeshire Fire Authority and Royal Berkshire Fire Authority for approval which was attached as Appendix 1 to the report. The purpose of the Memorandum of Understanding was to establish a reciprocal arrangement between the Officers of Cambridgeshire Fire and Rescue Service and Officers of Royal Berkshire Fire and Rescue Service to deliver an annual peer review of the operational matters of the Statement of Assurance.

The purpose of the Statement of Assurance was for Fire Authorities to formally confirm the adequacy of arrangements for the effective management of financial, governance and operational matters of their respective Fire and Rescue Services. The statement confirmed the extent to which the requirements of the Fire and Rescue National Framework for England (July 2012) had been met.

In making these judgements both Cambridgeshire Fire Authority and Royal Berkshire Fire Authority would instruct independent auditors to review both Financial and Governance matters. Prior to this MoU both Authorities had provided a self assessment on the adequacy of arrangements for operational matters. In order to provide additional independent assurance for operational matters, Officers were proposing to establish a reciprocal arrangement to carry out an annual peer assessment of a portfolio of evidence prepared by RBFRS Officers. In Berkshire the findings of the peer assessment would then be presented to the Audit and Governance Committee and in Cambridgeshire to the Overview and Scrutiny Committee. It was proposed that this would be a reciprocal arrangement led by a principal officer and each year an officer from another Fire and Rescue Service would be invited to attend to ensure that independence was maintained.

Full details of the proposed arrangements were set out in the MoU and there was no significant cost incurred by entering into the MoU but there would be potential additional benefits of sharing best practice at an operational level.

Councillor John Lenton asked if the word 'annual' could be removed from the recommendation.

Councillor Frank Abe asked why Cambridgeshire had been specifically chosen for the peer assessment. The CFO responded that Cambridgeshire had similar characteristics to RBFA and he had led a Peer Review in Cambridgeshire 18 months ago. One of the recommendations made was that they should look to provide independent expertise around operational arrangements. It was therefore agreed that a reciprocal arrangement would be entered into with Cambridgeshire and the CFO stated that it would be good for them to assess RBFA as they were an authority that RBFA did not work with on a regular basis.

RESOLVED that:

The Memorandum of Understanding between Cambridgeshire Fire Authority and Royal Berkshire Fire Authority to deliver a peer review of the operational element of the Statement of Assurance be agreed.

30. CORPORATE MEASURES AND TARGETS (2015-2019)

Nikki Richards, Business Transformation Manager (BTM), sought approval of corporate measures and associated targets for monitoring of performance against the Fire Authority Strategic Commitments and Strategic Objectives from 2015-19.

In the development of a revised Performance Management Framework, CMT had agreed a set of corporate measures for 2015/16 at their meeting on 23rd June 2015. These measures had been designed to cover the quantitative aspects of the Strategic Commitments and sat across the 'service provision' and 'corporate health' quadrants of the Performance Management Framework.

Since June 2015 an exercise had been conducted by Heads of Service in consultation with Directors to set baselines and to propose targets for 2015/16 as set out in Appendix A. A trajectory had been identified for each measure to 2019 in line with the Corporate Plan timeframe. Some measures were new and therefore it was very much a work in progress as measures might be dropped or amended at a later stage. It was recommended that both the measures and associated targets would undergo an annual review to ensure that performance information remained relevant and appropriate for monitoring progress against the Authority's Strategic Commitments.

Councillor Iain McCracken referred to paragraph 3.5 and he asked whether the desired outcomes should also be included there. The BFM confirmed that the desired outcomes had been identified in the Performance Management Framework whereas this section provided guidance on how to set targets. Councillor McCracken referred to Appendix A and specifically Service Provision Measure No.1 relation to the numbers of fire deaths in accidental dwelling fire. The baseline figure/desired outcome had been set at zero and whilst the Fire Authority would always strive to have zero deaths this was something that was outside of its control. He queried who set the targets. The BTM confirmed that Officers set the targets but that they would be agreed by the Audit and Governance Committee.

RESOLVED that:

- (a) The proposed measures and associated targets in Appendix A for monitoring of performance against the Fire Authority Strategic Commitments and Strategic Objectives from 2015-19 be noted and agreed;
- (b) The measures and targets in Appendix A to be recommended to the Fire Authority for approval;
- (c) In line with the Service's Performance Management Framework, it be agreed that the corporate measures and associated targets for the years 2016 to 2019 be subject to annual review.

31. AMENDMENTS TO RBFRS CONTRACT STANDING ORDERS

Conor Byrne, Head of Finance (HOF), presented the RBFRS Contract Standing Orders attached at Appendix 1 which reflected the changes to the latest EU Public Procurement Regulations 2015, the new Director titles, roles and responsibilities including the Chief Financial Officer role.

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 main changes to the Contract Standing Orders were as follows:

- Removal of Standing Lists – Standing Lists or Preferred Supplier lists were non-compliant and under the new transparency rules competitive tendering would be carried out in line with RBFRS strategic commitments.
- Introduction of the new EU Public Procurement Legislation – the new EU legislation included the removal of Part A and Part B Services and the use of Pre-Qualification Questionnaires below the OJEU limit of £172,514. This would allow for increased competition and more Small to Medium Enterprises (SME's) progressing through to the decision making process.
- All potential tender expenditure over £25k or as stated in individual authority Contract Standing Order thresholds (in the case of RBFRS this was £50k) now needed to be advertised in the government web portal Contracts Finder with all tender documentation made available at the time of tender advert.
- EU legislation also now stated that expenditure with a supplier could only be 10% more than the contract award value unless any increase had been caused by any unforeseen circumstances. In the event that the threshold was breached the spend authority had to cease using the supplier with immediate effect until a new competitive tender process had taken place.
- The new Contract Standing Orders had been changed to reflect the change of Director titles, roles and responsibilities as set out in the report.

The HOF stated that further amendments would be required to the Contract Standing Orders as the OJEU limits were set to change in January 2016.

Councillor John Lenton queried why the Director titles had changed. The CFO confirmed that a new Director post had been created and the DCFO was now also the Monitoring Officer.

Councillor Iain McCracken stated that he had a number of issues and concerns and he would like to go through the document himself and track changes electronically. He noted that agenda items 6 and 9 were inter-related and he would ensure that cross reference was made. He therefore asked if this item could be deferred until the Audit and Governance meeting in December 2015 which would give Councillor McCracken a chance to amend the document and return it to the HOF.

RESOLVED that:

The amended Contract Standing Orders to be brought back to the Audit and Governance Committee on 3rd December 2015 following which it would be recommended to the Fire Authority for approval.

32. ANNUAL GOVERNANCE STATEMENT 2014/15

Conor Byrne, Head of Finance (HOF), presented the 2014/15 Annual Governance Statement which was based on the draft statement that had been published on the RBFRS website since July 2015.

The Royal Berkshire Fire Authority was responsible for ensuring that its business was conducted in accordance with the law and proper standards and that public money was safeguarded, properly accounted for and used economically, efficiently and effectively. It also had a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions were exercised, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, the Authority was responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions which included arrangements for the management of risk.

The Fire Authority had a duty to produce and publish an Annual Governance Statement in accordance with the Accounts and Audit (England) Regulations 2011. The Annual Governance Statement replaced the former Statement of Internal Control and the CIPFA statement of recommended practice required that the Annual Governance Statement should be scrutinised by an Audit Committee prior to presentation with the annual Statement of Accounts. The Annual Governance Statement enabled a local authority to report publicly on the extent to which they had complied with their code of governance on an annual basis, including how they had monitored the effectiveness of their governance arrangements in the year, and on any planned changes in the coming year. Section 5 of the Annual Governance Statement set out the key issues which would be addressed going forward. This was substantially different than in previous years.

Officers had prepared a draft Annual Governance Statement and as required this had been published on the RBFRS website since July 2015.

RESOLVED that:

- (a) The Annual Governance Statement be agreed;
- (a) The Annual Governance Statement be recommended to the Fire Authority for final agreement and sign off.

33. CORPORATE PLAN AND INTEGRATED RISK MANAGEMENT PLAN 2015-2019

Nikki Richards, Business Transformation Manager (BTM), presented the proposed content of the Fire Authority's Corporate Plan 2015-19 which was set out in Appendix 1.

Officers would be asking the Integrated Risk Management Plan (IRMP) Working Party at their meeting on 22nd September 2015 to recommend the IRMP section to the Fire Authority for approval.

This public facing document was a summary based on the individual elements of the Corporate Plan Framework. The Framework was recommended to the Authority for approval by Audit and Governance during the meeting on 30th March 2015 which was subsequently approved by the Fire Authority on 22nd April 2015. The Framework was a library of plans, policies and strategies that together provided a comprehensive structure to plan, monitor and deliver the Authority's mission to enable the people of Berkshire to lead safe and fulfilling lives.

Councillor Iain McCracken asked if CSP's could be included on page 19 of the document.

RESOLVED that:

The Corporate Plan 2015-19 be recommended to the Fire Authority for approval.

34. PERFORMANCE MANAGEMENT FRAMEWORK

Nikki Richards, Business Transformation Manager (BTM), presented the Performance Management Framework as set out in Appendix 1. The purpose of the Framework was to provide structure and governance that would enable the Fire Authority to measure, monitor and manage outputs and outcomes in a timely manner; to allow the organisation to respond and make informed decisions to ensure that both its statutory obligations, in line with the National Framework, and the Fire Authority's Strategic Commitments were successfully delivered.

One of the priority projects for 2014/15 was to introduce robust performance management and during the year significant improvement had been made especially around quarterly performance monitoring. Earlier this year Officers had also created a revised Organisational Risk Management Policy which for the first time provided a relevant means of assessing organisational risk.

The Framework consolidated the recent improvements and developments into a comprehensive structure for monitoring and managing performance. The Framework was made up of two sections – Section 1 How performance would be measured and monitored; and Section 2 Where and who in the organisation would manage performance. In order to provide a more detailed picture of performance the measurement and monitoring of data and information would be arranged into four sections as follows:

- Service Provision
- Corporate Health
- Priority Programmes
- Risk

It should be noted that Performance Management as a process would evolve over time and therefore the Framework had been designed to allow sufficient flexibility to accommodate the changing needs of the organisation without the need to be constantly refreshed. The diagram on page 79 of the agenda set out the relationship between planning and performance.

Councillor Frank Abe complimented Nikki Richards on the work she had undertaken as managing change was not easy. He felt that it would not be possible to assess how effective the changes were for at least a year to 18 months.

In response to a query in relation to the Strategic Commitment – We will educate people on how to prevent fires and other emergencies, and what to do when they happen - the Assistant Chief Fire Officer listed the range of activities in place e.g. engagement in schools and with vulnerable people providing targeted intervention. Councillor Ishrat Shah stated that she would like to be more involved in the interventions in schools in the Slough area. The ACFO confirmed that the Fire Authority had four Community Support Officers and there was a large amount of intervention work going on. He would list the number of interventions which had taken place in schools in the Slough area and would liaise with the Slough Councillors around any further work. The CFO advised that he would be presenting at the next Full Council meeting at Slough which might be useful.

ACFO

RESOLVED that:

The Performance Management Framework be agreed.

35. AUDIT OF SAFEGUARDING IN RBFRS

Paul Southern, Assistant Chief Fire Officer (ACFO), informed the Audit and Governance Committee of the outcomes of an audit of Safeguarding policies, procedures and practices within RBFRS. The appendix attached to the report identified areas which were compliant, non-compliant and partially compliant against associated guidance and best practice. The appendix also had an action plan which was being allocated to lead Officers and associated time lines to ensure the necessary improvements were undertaken. Progress against the action plan would be reported back to the Audit and Governance Committee.

RBFRS undertook a number of activities where contact was made with vulnerable members of the community. Some contact with vulnerable people might be expected in advance but there might also be occasions where RBFRS staff came into contact with vulnerable individuals at an emergency incident, giving concern for their welfare to an extent that the matter should be reported to the relevant authorities. In order to ensure that the necessary responsibilities, duties and expectations of RBFRS were undertaken, it was necessary for policies, procedures and processes to be in place. RBFRS undertook an audit of these safeguarding areas and the appendix identified the outcome of the audit.

The ACFO confirmed that there was currently a vacancy for a safeguarding lead but that a temporary measure was in place so that the Fire Authority was not exposed. Full cover had therefore been provided but as a consequence the number of activities on a proactive basis had been reduced. The Fire Authority would be going out to advert shortly for this role and then the postholder would take on responsibility for the action plan which it was hoped would be brought back to the Audit and Governance Committee in December 2015.

Councillor Jane Stanford-Beale referred to page 97 of the agenda and in particular Item 3b where it was stated that there was evidence that staff felt that they had not had enough training to know what to look for or how to respond when information was given by the child or vulnerable adult and they felt that when a concern was raised it went into a 'black hole' and they did not receive feedback or confirmation. She was concerned about this as in this area a Multi-Agency Safeguarding Hub (MASH) was in place and things like this should be reported through that. The ACFO responded that the audit had been undertaken in July 2015 and he confirmed that the Fire Authority was in contact with the MASH. Councillor Iain McCracken felt that in relation to MASH Berkshire was still on a journey. Councillor Frank Abe felt that there was now more exclusiveness in regard to information sharing and agencies were therefore more aware of what was going on.

RESOLVED that:

The report be noted and agreed that progress reports against the action plan would be submitted to future meetings.

36. CHARTER FOR MEMBER DEVELOPMENT 18 MONTH REVIEW

Anne-Marie Scott, Director of People and Organisational Development (DPOD), updated the Audit and Governance Committee on the decision of South East Employers to continue to award Royal Berkshire Fire Authority the Charter for Member Development. Detail had been provided in the action plan in relation to areas for further development which Members were asked to consider in order to shape the Member Development Programme for the next 12 months.

In December 2013 RBFA had been awarded the Charter for Member Development for a three year period. RBFA would need to apply for re-assessment before December 2016 if continued accreditation was desired. One of the conditions of the award was that South East Employers (SEE) would carry out a review at 18 months. In August 2015 SEE had conducted a telephone interview with Officers. The focus of the review was to check RBFA progress with embedding the Charter into the work of the Fire Authority as well as progress with addressing the recommendations offered to RBFA when the Charter was awarded. Appendix 1 set out a summary of the SEE recommendations together with an indication of progress made. Some new actions were also proposed to further embed Member development in the Fire Authority. Delivering the proposed actions in Appendix 1 would contribute towards the Charter re-assessment in December 2016 should Members choose that route. At the end of the interview SEE confirmed that RBFA were to retain the Charter for Member Development until December 2016.

The DPOD stated that Member development could be driven through the OD programme and the Management Committee rather than through Audit and Governance. The Charter did not necessarily drive the Member Development programme. Councillor Iain McCracken felt that any Member development should be beneficial and it might not apply to the Fire Authority. Councillor Frank Abe felt that the most productive session was the one that had been held at a school and going forward he would like to see more sessions like that being held. It was noted that a further session had been scheduled for 30th September 2015 following the Fire Authority meeting.

Councillor McCracken stated that it would be necessary to decide how it was proposed to continue and that a recommendation would need to be made to the Fire Authority. The Charter was in place until December 2016 but consideration would need to be given as to what would happen after that time. The DPOD advised that the Fire Authority were going for IIP accreditation in 2017 and therefore it made sense to ensure that leadership development was coherent and that plans were in place which could be agreed by the OD Board.

Councillor Abe felt that Anne-Marie Scott needed to have discussions with himself and Nikki Richards on the way forward and to come back to the next Audit and Governance Committee meeting in December 2015 with proposals on the way forward in relation to Member development.

RESOLVED that:

- The report be noted;
- Further proposals to be discussed and brought forward for consideration by the Audit and Governance Committee at its next meeting on 3rd December 2015. .

**FA, AMS
& NR**

37. TRANSITION FUND UPDATE

Conor Byrne, Head of Finance (HOF), informed the Audit and Governance Committee of bids which had been approved from the Transition fund during Quarter 1 of 2015/16. In future this would be tied in with the quarterly reporting framework.

As part of the 2015/16 budget, the Fire Authority approved the setting up of a £2m Transition Fund in order to redesign the service to achieve the new strategic direction and 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 funding had been considered by the Corporate Management Team (CMT) and it should be 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 required criteria. Where the proposed project was nevertheless felt to be of value, funding from existing budgets had been approved.

Transition Fund bids with a total value of £667,778 had been submitted and £394,223 of bids had been agreed from the Transition Fund. Transition Fund expenditure to date totalled £25,556.

Councillor Iain McCracken asked if the Transition Fund would embrace blue light co-location. It was noted that there was a Transformation fund from Central Government for that but the Transition Fund was purely for the RBFA to achieve its new strategic direction.

RESOLVED that:

The report be noted

38. EMERGENCY SERVICES MOBILE COMMUNICATIONS PROGRAMME

Paul Southern, Assistant Chief Fire Officer (ACFO), updated the Committee on the progress of the national Emergency Services Mobile Communication Programme and progress of the South Central Fire Customer Group.

The Emergency Services Mobile Communications Programme (ESMCP) was a national Government led programme which was designed to provide effective operational communications systems for all emergency services and responders. Current Airwave contracts for fire and rescue services were due to expire at the end of 2016. The Government were seeking to extend these contracts until the completion of ESMCP which would ensure continuity until new system cut-over could be achieved. At this stage it was anticipated that RBFRS would cut over to

the new system in 2018.

The Delivery Partner who would provide programme management, integration and reporting to assure the build of the Emergency Services Network (Lot 1) had been appointed to Kellogg, Brown and Root. Evaluation reports were currently being completed for Lots 2 and 3. There were now only single companies in for Lots 2 and 3 which were Motorola and EE.

The South Central Transition Group continued to meet monthly covering implementation and discussing what areas of the proposed work could be collaborated upon. This group worked closely together and liaised closely with the Police service.

RESOLVED that:

The report be noted

39. FUEL SPOT CHECK: COMPLIANCE AUDIT

Paul Southern, Assistant Chief Fire Officer (ACFO), informed the Audit and Governance Committee of the outcomes of a spot check audit of fuel management within RBFRS.

As part of the 2014/15 Royal Berkshire Fire and Rescue Service Audit Programme a Fuel Audit was undertaken by Baker Tilly in November 2014 and a series of recommendations was made. An update on progress was provided to Audit and Governance on 30th March 2015 following which the Committee requested that a fuel spot check audit be carried out. The Performance Review Department undertook a spot check of fuel storage in June 2015. The audit constituted a 'compliance audit' confirming the procedures and processes being undertaken when managing the control and issue of fuel in the Service. The audit and attached report had been conducted in line with the original Baker Tilly audit and against existing organisational policy.

The findings of the audit had been generally positive with no irregularities being found in fuel stocks. There were a few gaps found with compliance against existing policy and procedure around fuel cards and recommendations had been identified to close the few gaps in policy compliance.

In considering the report and recommendations, Corporate Management Team had directed managers to explore simplifying the administration processes and policies associated with fuel cards to reduce bureaucracy in the Service.

The ACFO went through the Audit findings and highlighted the following:

AF9 Fuel Cards must be kept secured at all times – For operational purposes it was impractical to keep fuel cards in the safe and consideration was now being given as to how these could be secured safely on the fire appliances.

AF11 Confirmation of fuel card location forwarded to transport department on a monthly basis – Due to the lack of a consistent approach in this area it was recommended that an audit of fuel cards would be undertaken which should be completed by the end September 2015.

AF13 Vehicle Log Book (FB150) pages authorised and sent to Transport – this was not consistently happening across the board and there was also a differing approach to completion. It was proposed to simplify the system possibly making it

electronically accessible.

AF14 Ensure fuel management policies were relevant – This had been addressed.

RESOLVED that:

- The outcomes of the Spot Check Fuel Audit report in Appendix A be noted;
- It be noted that some follow up work had been commissioned by CMT to simplify the administration processes associated with fuel cards to reduce bureaucracy for Stations.

40. QUARTERLY PERFORMANCE REPORT (2015/16) – QUARTER 1 (APRIL-JUNE 2015)

Nikki Richards, Business Transformation Manager (BFM), provided the Audit and Governance Committee with an overview of Royal Berkshire Fire and Rescue Service's first quarter (April-June) performance for the 2015/16 financial year.

This was the first quarterly performance report to present information according to the revised performance management framework. Due to the fact that the new performance management framework was still under development at the time of writing the report the BTM confirmed that the measures and targets for 2015/16 had not been rolled out. Appendix 1 to the report therefore presented performance against measures contained within the 2014/15 Corporate Plan and compared quarter one performance for 2015/16 with the same period in 2014/15 to facilitate judgements on performance. An additional report had been included as a separate item on the agenda to propose measures and targets for the new Corporate Plan covering the period 2015-2019 and these measures would be used to report performance in quarter two of 2015/16.

Appendix A to the Performance Report included the Corporate Risk Register.

The BTM stated that data assurance and quality was an issue but that it was more around incomplete sets rather than quality of information. There was a group which was currently looking at missing data and trying to identify it.

Councillor Iain McCracken asked if 'reputational risk' could be added into the Corporate Risk Register.

NR

The BTM talked Members through the meanings of the headings on the Corporate Risk Register. Where a risk scored 17 or over then it would be owned by a Director and any risks below that level by a Head of Service.

RESOLVED that:

- The performance against Service Provision and Corporate Health measures compared with the same period in 2014/15 be noted;
- The progress made on the two new 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.

41. DATE OF NEXT MEETING

Thursday 3rd December 2015 at 6.30pm, Room 301, Brigade Headquarters,

Approved on 3 December 2015

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

(The meeting concluded at 8.32 pm)