

MEETING OF THE ROYAL BERKSHIRE FIRE AUTHORITY'S AUDIT AND PERFORMANCE REVIEW COMMITTEE



Held on Monday 24 May 2010

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

Those present: Councillor Chris Bowring (Member, Fire Authority)
Councillor John Lenton (Member, Fire Authority)
Councillor Iain McCracken (Member, Fire Authority)
Councillor Mrs Kathy Newbound (Member, Fire Authority)
Councillor Alan Ward (Member, Fire Authority)

In Attendance: Conor Byrne (Senior Accountant)
Steve Connors (Haines Watts)
Michael Coomber (Marsh Risk Consulting, London)
Dan Maycock (RSM Tenon)
Caroline Redzikowska (Clerk and Monitoring Officer)
Paul Southern (Assistant Chief Fire Officer)
Andrew Vallance (Authority Treasurer)
Graham West (Audit Commission)

Action

41. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Mohammed Rasib (Member, Fire Authority) and Councillor Raja Zarait (Member, Fire Authority).

42. DECLARATIONS OF INTEREST

There were no declarations of interest from Councillors relating to items to be considered at the meeting, in accordance with the provisions of the Fire Authority's Local Code of Conduct. There were no declarations of interest received from Officers.

43. MINUTES OF THE AUDIT AND PERFORMANCE REVIEW COMMITTEE MEETING HELD ON 18 MARCH 2010

Resolved:

- a) That the Minutes of the meeting of the Audit and Performance Review Committee meeting held on 18 March 2010 be Approved for signing by the Chairman.

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

Resolved:

- a) That it be Noted that no matters had been properly referred to the Committee for decision.

45. EXTERNAL AUDIT FEES 2010/2011

The Committee was advised of the external audit fees for 2010/11.

Graham West (Audit Commission) took the Committee through the Annual Audit and Inspection Fees 2010/11 letter. In response to Members' questions,

Graham West clarified why the fees were 9.8% above scale within the normal level of variation specified by the Commission, and confirmed that the fees would be re-visited in light of the recent Government's announcement that the Comprehensive Area Assessment (CAA) was to be abolished.

Resolved:

- a) That the external audit fees for 2010/11 be Noted.
- b) That the uncertainty regarding the Comprehensive Area Assessment and the potential effect that this might have on the fees be Noted, but that it be Accepted that costs might be incurred until the Government's statement on the Comprehensive Area Assessment was effected in law.
- c) That, until further clarification regarding the Government's position regarding the Comprehensive Area Assessment was known, the decision to approve the fees for 2010/11 be deferred.
- d) That Phil Sharman (District Auditor) should re-consider the Annual Audit and Inspection Fees 2010/11 letter and that it should be clear and unambiguous.

46. DRAFT INTERNAL AUDIT ANNUAL REPORT AND PROGRESS REPORT

The Committee was advised of the summary outcome of internal audit activity during the last year and of the overall Assurance Opinion on the work undertaken.

Dan Maycock (RSM Tenon) took the Committee through the presented report, and he referred Members specifically to those audit areas where a limited assurance level had been given. The Authority Treasurer assured Members that Officers would be working to improve on these identified areas.

In response to the Chairman, Steve Connors (Haines Watts) believed that the presented report was a fair report.

Resolved:

- a) That the report be Noted.

47. DRAFT ANNUAL GOVERNANCE STATEMENT

The Committee was presented with the draft Annual Governance Statement (AGS) for scrutiny, prior to its submission to the Fire Authority together with the Statement of Accounts.

The Authority Treasurer took the Committee through the Governance Statement, and brought Members' attention to the presented Significant Governance Issues for 2008/09. The Committee commented on the proposed Action Plan for 2010/11 to address the areas of weakness, the salient points being:

- i) Correct references to Overview and Scrutiny.
- ii) Replace references to "Community Safety Forum" to read "Crime and Disorder Reduction Partnerships".
- iii) Within the section "Put in place effective arrangements to identify and deal with failure in service delivery", and under the "Plans for Improvement" column, include further text to reflect what subsequent steps would be taken.

- iv) Within the section "Make a Chief Executive or equivalent responsible and accountable to the Authority for all aspects of operational management" and under the "Plans for Improvement" column, include further text to reflect outcomes.
- v) Within the section "Make a Senior Officer (the S151 Officer) responsible to the Authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control", and also within the subsequent 2 sections, under the "Plans for Improvement" column, include who would be responsible for these.
- vi) Within the section "Set out the terms and conditions for remuneration of Members and Officers and an effective structure for managing the process, including an effective remuneration panel (if applicable)", and under the "Plans for Improvement" column, include further text to reflect what subsequent steps would be taken.
- vii) Within the section "Ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated", and under the "Plans for Improvement" column, include a reference to the Community and Equality Engagement Group (CEEG).
- viii) Within the section "When working in partnership ensure that Members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the Authority", and under the "Plans for Improvement" column, replace text to now read "The removal of the two National Fire Indicators may make it more difficult for the Fire Authority to secure buy in from partner Authorities and organisations."
- ix) Within the section "Ensure that standards of conduct and personal behaviour expected of Members and staff, of work between Members and staff and between the Authority, its partners and the community are defined and communicated through codes of conduct and protocols", and under the "Plans for Improvement" column, include who would be responsible for this.
- x) Within the section "Put in place arrangements to ensure that Members and employees of the Authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice", and under the "Plans for Improvement" column, include text to reflect that Standing Orders will be updated.

Resolved:

- a) That the draft Annual Governance Statement (AGS), with the above amendments and inclusions, be Recommended to the Fire Authority, together with the Statement of Accounts, for approval.

48. INTERNAL AUDIT PLAN 2010/11

The Committee was presented with the internal Audit Plan for 2010/11.

The Committee welcomed Haines Watts as the newly appointed Internal Auditors to the Authority.

In response to Members' questions, Steve Connors (Haines Watts) confirmed that, where appropriate, references to International Financial Reporting Standards (IFRS) would be incorporated within future reports, and that he believed that the total number of audit days required was reasonable.

Resolved:

- a) That the Internal Audit Plan 2010/11 be Agreed.

49. AUDIT AND PERFORMANCE REVIEW COMMITTEE'S TERMS OF REFERENCE

The Committee reviewed its Terms of Reference, the proposed changes made since the last meeting being shown in italics.

Resolved:

- a) That the Committee's Terms of Reference, as amended, be recommended to the Management Committee for consideration and ratification, for subsequent presentation to the Fire Authority for approval.

50. AUDIT AND PERFORMANCE REVIEW COMMITTEE'S ANNUAL REPORT TO THE FIRE AUTHORITY (DRAFT)

The Committee considered the presented draft Committee's Annual report to the Fire Authority.

Resolved:

- a) That the Committee's Annual Report be Agreed and presented to the Fire Authority at its Annual Meeting on 30 June 2010, and delegation be given to the Chairman to make any further minor amendments, as required.

51. QUARTERLY PERFORMANCE REPORT

The Committee was provided with an overview and review of performance against independently selected Performance Indicators, namely LP14a (number of home fire risk assessments done in risk areas) and LP15 (number of performance development interviews completed).

With regard to LP14a (number of home fire risk assessments done in risk areas), the Committee was concerned with regard to the sharing of personal data between partnership agencies, particularly in respect to vulnerable groups of people. The Assistant Chief Fire Officer (ACFO) agreed to advise the Committee of the respective legislation regarding the sharing of information.

The Committee was also provided with Best Value Scorecards for 'Brigade Operations', 'General Health' and Local Performance Indicators. The Group Manager (Performance Review) (GM, PR) reminded the Committee that the presented data was often a month in arrears due to data entry timing issues.

Resolved:

- a) That the report be Noted.
- b) That a review update be presented to the Committee at its December 2010 meeting regarding Uniformed Performance Development Interviews conducted.

Mgt
Committee
(Jul 2010) /
Fire Authority
(Sept 2010)

Fire Authority
Agenda
(30.06.10)

ACFO

GM, PR
Agenda
Dec 2010

52. PROCUREMENT DOCTOR PROGRESS REPORT

The Committee was advised of the progress made against the Procurement Doctor Report.

The Committee concurred with the Assistant Chief Fire Officer that, as consideration was being given to use another Authority to host an e-procurement system for the Fire Authority, this area should be considered as completed.

Resolved:

- a) That the report be Noted.

53. RISK MANAGEMENT TRAINING

The Committee received training on the principles of risk management, the benefits of risk management, and risk management at the Royal Berkshire Fire and Rescue Service, the training being provided by Michael Coomber from Marsh Risk Consulting, London. *(A copy of presentation is available from the Committee Manager).*

54. PROPOSED CALENDAR OF 2010/11 AUDIT AND PERFORMANCE REVIEW MEETINGS

Resolved:

- a) That the 17 March 2011 and 6 June 2011 meeting dates be recommended to the Fire Authority for approval at its Annual Meeting on 30 June 2010, but that alternative dates be found for the September 2010 and December 2010 meetings.

**Committee
Manager**