

Minutes of a meeting of the CFA - Corporate Governance Committee held at County Hall, Glenfield on Wednesday, 10 March 2021.

PRESENT

Cllr. K. Bool (in the Chair)

Cllr. S. Barton

Mr. I. E. G. Bentley CC

Mr. J. G. Coxon CC

Cllr. L. Fonseca

Mr. J. Kaufman CC

Mr. W. Liquorish JP CC

Ms. Betty Newton CC

Cllr. A. Thalukdar

In attendance

Callum Faint, Interim Chief Fire and Rescue Officer

Lauren Haslam, Monitoring Officer

Colin Sharpe, Deputy Director Finance at Leicester City Council

Mick Grewcock, Interim Assistant Chief Fire and Rescue Officer

Paul Weston, Interim Assistant Chief Fire and Rescue Officer

Andy Galway, Area Manager – Service Assurance

Neil Jones, Head of the Internal Audit and Assurance Service, Leicestershire County Council

Matt Davis, Audit Manager, Leicestershire County Council

Gavin Barker, Mazars

Anna Poole, Democratic Services Officer

110. Apologies for absence.

Apologies were received from Mr. D. Harrison CC.

111. Declaration of interests.

The Chairman invited members who wished to do so to declare an interest in respect of items on the agenda.

No declarations were made.

112. Urgent items.

There were no urgent items.

113. Chairman's Announcements.

The Chairman's Announcements were tabled at the meeting, a copy of which is filed with these minutes. The announcements covered the following matters:

- Leicestershire Fire and Rescue Service – Covid-19 Testing
- Fire Fighters - New Personal Protective Equipment
- Christchurch, New Zealand earthquake – 10-year Anniversary

The Chairman commended the firefighters from LFRS who had supported the New Zealand earthquake.

114. Minutes of the previous meeting.

It was moved by Councillor Bool and seconded by Mrs Newton that the minutes of the meeting held on 20 January 2021 were taken as read, confirmed and signed.

The Motion was put and carried unanimously.

RESOLVED:

The minutes of the meeting held on 20 January 2021 were taken as read, confirmed and signed.

The Chairman informed the Committee that Item 7 "External Audit - Annual Audit Letter 2019/20" would be considered prior to Item 6 "External Audit Plan 2020/21 and Audit Progress Report", following a request from the External Auditor.

115. External Audit - Annual Audit Letter 2019/20.

The CFA considered a report of the Treasurer which presented the External Auditor's (Mazars') Annual Audit Letter 2019/20. A copy of the report marked "Agenda Item 7" is filed with these minutes.

The Chairman welcomed Gavin Barker from Mazars to the meeting.

Members were informed that an unqualified opinion on the financial statements had been awarded, which was a positive outcome to the audit. The issuing of the audit opinion, and also the whole audit, had been delayed significantly due to the Covid pandemic and also the fact that the assurance on the Leicestershire Pension Fund had been awaited from its auditors, which reflected the national position. An unqualified opinion had also been issued for the Value for Money conclusion as the Authority had the proper arrangements in place to achieve economy, efficiency and effectiveness in its use of resources for the 2019/20 financial year.

Mazars assured members that the difficulties experienced with the audit in 2018/19, and reported to members in September 2020, had been overcome for the audit in 2019/20. There had been significant improvement in the arrangements for the production of the Financial Statements.

There had also been a significant increase in audit fees for 2019/20. This had previously been discussed with the Committee and also with officers, who had accepted the increase. The request for the increase was currently being considered by the Public Sector Audit Appointments Ltd (PSAA), which also approves audit fees.

It was moved by Councillor Bool and seconded by Councillor Barton that the External Audit - Annual Audit Letter 2019/20 be noted.

The Motion was put and carried unanimously.

RESOLVED:

That the External Audit - Annual Audit Letter 2019/20 be noted.

116. External Audit Plan 2020/21 and Audit Progress Report.

The CFA considered a report of the Treasurer concerning the External Audit Plan 2020/21 and the Audit Progress Report. A copy of the report marked "Agenda Item 6" is filed with these minutes.

Members were informed that the deadline for the finalisation of the accounts and audit had been extended by the Regulator to 30 September 2021, and this would be the case for the next two years, taking in to account the challenges that audit companies had faced. However, Mazars stated that they expected to complete the audit beyond this date in November 2021 due to the level of resource in place and assured members that they were actively recruiting additional resource.

Members commended officers for the fact that the audit did not identify any areas for concern.

In response to questions, members were informed that

- i. Mazars would not monitor achievement against the HMICFRS Improvement Plan. This would be followed up by HMICFRS;
- ii. The Annual Audit letter for 2019/20 covered the period up to March 2020, and so did not include reference to the Covid-19 pandemic and the additional pressure brought to the Service, as the issue had not escalated at this stage. However, this would be included in the assessment for this year

It was moved by Councillor Bool and seconded by Mrs Newton that the Audit Progress Report, attached at Appendix 1 to the report and the External Audit Plan for 2020/21, attached at Appendix 2, be noted.

The Motion was put and carried unanimously.

RESOLVED:

That the Audit Progress Report, attached at Appendix 1 to the report and the External Audit Plan for 2020/21, attached at Appendix 2, be noted.

117. Progress Against the Internal Audit Plan 2020-21.

The CFA considered a report of the Treasurer which gave an update of progress against the Internal Audit Plan for 2020-21. A copy of the report marked "Agenda Item 8" is filed with these minutes.

Members were informed that four High Importance (HI) recommendations had been carried forward from the previous audit year; work for three of them (Key ICT Controls, Key Financials, Contract Procedure Rules) was still being completed and it was expected that these would be signed off and reported to the Committee at its meeting in July. The final HI recommendation which related to the payroll system had been completed.

In introducing the report, the Audit Manager commended officers of LFRS for their support in completing audits on time, despite a challenging year due to the Covid-19 pandemic, the introduction of a new payroll system and pensions administrator, adjustments to working practices and remote working, as well as new staff joining the Service.

It was moved by Councillor Bool and seconded by Mrs Newton that the report and the progress made against the Internal Audit Plan 2020-21 be noted.

The Motion was put and carried unanimously.

RESOLVED:

That the report and the progress made against the Internal Audit Plan 2020-21 be noted.

118. Internal Audit Plan 2021-22.

The CFA considered a report of the Treasurer concerning the Internal Audit Plan 2021-22. A copy of the report marked "Agenda Item 9" is filed with these minutes.

It was moved by Councillor Bool and seconded by Mr Liquorish that

- a) the report and the Internal Audit Plan 2021-22 be noted; and
- b) that it be noted that the detail of the plan may change during the year in response to emerging issues and risks.

The Motion was put and carried unanimously.

RESOLVED:

That

- a) the report and the Internal Audit Plan 2021-22 be noted; and
- b) that it be noted that the detail of the plan may change during the year in response to emerging issues and risks.

119. Financial Monitoring to the end of December 2020.

The Committee considered a report of the Treasurer presenting the key issues arising from the revenue budget and capital programme to the end of December 2020 (Financial Period 9 in 2020/21 year). A copy of the report marked 'Agenda Item 10' is filed with these minutes.

In response to questions, members were informed that the underspend for the premises budget detailed in the report had been caused by the response to the pandemic. For example, some premises, such as the headquarters building, had not been used as much as normal as people were working remotely, resulting in a reduction in the costs of the operating the estate and also slippage to routine maintenance work.

It was moved by Councillor Bool and seconded by Mr Kaufman that

- a) the revenue budget and capital programme position as at the end of December 2020 be noted; and that
- b) the transfer of £363,900 grant income to implement the recommendations from the Grenfell Tower Inquiry to an earmarked reserve to fund expenditure in 2021/22, when the work is planned to be completed, be approved.

The Motion was put and carried unanimously.

RESOLVED:

That

- a) the revenue budget and capital programme position as at the end of December 2020 be noted; and that
- b) the transfer of £363,900 grant income to implement the recommendations from the Grenfell Tower Inquiry to an earmarked reserve to fund expenditure in 2021/22, when the work is planned to be completed, be approved.

120. Performance Monitoring April 2020 - January 2021.

The Committee considered a report of the Chief Fire and Rescue Officer which presented an update on the performance of the Leicestershire Fire and Rescue Service (LFRS) for the period April 2020 – January 2021. A copy of the report marked 'Agenda Item 11' is filed with these minutes.

In presenting the report, the CFO said that the data for KCI 3.2 Response times to life threatening incidents, had increased since the last report to the Committee as there had been a number of fire related incidents in prisons, for which the travel time was greater due to their location in the area.

There had been a positive increase in KCI 4 Home Fire Safety Checks and in KCI 5a – number of fire safety audits, as officers had worked hard to reach out to communities to demonstrate that despite the pandemic, the Service was able to improve the offer to communities.

In response to questions, members were informed that during December and January, managing attendance times had been a challenge, especially due to the winter weather. The increase in attendance times brought about by incidents in more distantly located rural areas was balanced by those incidents in the City, which could be reached more quickly.

It was moved by Councillor Bool and seconded by Mr Kaufman that the performance of the Leicestershire Fire and Rescue Service for the period April 2020 to January 2021 be noted.

The Motion was put and carried unanimously.

RESOLVED:

That the performance of the Leicestershire Fire and Rescue Service for the period April 2020 to January 2021 be noted.

121. Service Development Programme and 'Our Plan 2020-24' Update.

The Committee considered a report of the Chief Fire and Rescue Officer concerning progress made since January 2021 in delivering projects within the Service Development Programme and the tasks included in Appendix A of Our Plan 2019-22. A copy of the report marked 'Agenda Item 12' is filed with these minutes.

Members were informed that a significant number of tall buildings had been identified in Leicester, Leicestershire and Rutland following the Grenfell Tower Inquiry and the Service would be recruiting an individual on a fixed term contract to manage the grant funding allocated.

It was moved by Councillor Bool and seconded by Mr Bentley that the progress made since January 2021 in the delivery of projects within the Service Development Programme and the tasks that are included in Our Plan 2020-24 be noted.

The Motion was put and carried unanimously.

RESOLVED:

That the progress made since January 2021 in the delivery of projects within the Service Development Programme and the tasks that are included in Our Plan 2020-24 be noted.

122. Organisational Risk Register.

The Committee considered a report of the Chief Fire and Rescue Officer concerning the Organisational Risk Register (ORR). A copy of the report marked 'Agenda Item 13' is filed with these minutes.

In response to questions, members were informed that

- i. all staff had a Covid Passport which was reviewed monthly to identify signs of anxiety and depression related to Covid-19. This process had been highlighted as good practice nationally by the HMICFRS in their reporting of inspections.
- ii. The risk of industrial action remained on the ORR at the same level although actions had been put in place to mitigate the risk. Officers had engaged with representative bodies to identify an alternative duty system; a third-party supplier had been identified following the agreement of the CFA and a good relations had been built with the FBU both locally and nationally.

It was moved by Councillor Bool and seconded by Mrs Newton that the content of the report and the Organisational Risk Register, attached at the Appendix, be noted.

The Motion was put and carried unanimously.

RESOLVED:

That the content of the report and the Organisational Risk Register, attached at the Appendix, be noted.

123. Industrial Action Business Continuity Planning.

The Committee considered a report of the Chief Fire and Rescue Officer concerning the arrangements in place within Leicestershire Fire and Rescue Service to support the third-party providers with the activation of the business continuity plan, should the arrangements be called upon. A copy of the report marked 'Agenda Item 14' is filed with these minutes.

It was moved by Councillor Bool and seconded by Councillor Thalukdar that this item be closed and that no additional reports be presented to the Committee unless the 'Industrial Action Business Continuity' arrangements need to be activated, or arrangements need to be significantly adjusted.

The Motion was put and carried unanimously.

RESOLVED:

That this item be closed and that no additional reports be presented to the Committee unless the 'Industrial Action Business Continuity' arrangements need to be activated, or arrangements need to be significantly adjusted.

124. Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services Improvement Plan.

The Committee considered a report of the Chief Fire and Rescue Officer concerning progress made with the implementation of the Improvement Plan which was developed in response to the inspection report by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services. A copy of the report marked 'Agenda Item 15' is filed with these minutes.

It was moved by Councillor Bool and seconded by Mr Coxon that the progress made with the Improvement Plan to address the HMICFRS recommendations be noted.

The Motion was put and carried unanimously.

RESOLVED:

That the progress made with the Improvement Plan to address the HMICFRS recommendations be noted.

125. The Government's Response to the Redmond Review Recommendations.

The Committee considered a report of the Treasurer and Monitoring Officer concerning the Government's response to the Redmond Review into the effectiveness of local (external) audit and the transparency of local authority financial reporting. A copy of the report marked 'Agenda Item 16' is filed with these minutes.

It was moved by Councillor Bool and seconded by Mr Coxon that the report and the update provided on the Government's response to the Redmond Review be noted.

The Motion was put and carried unanimously.

RESOLVED:

That the report and the update provided on the Government's response to the Redmond Review be noted.

126. Exclusion of the Press and Public.

It was moved by Councillor Bool and seconded by Mr Coxon that under Section 100A of the Local Government Act 1972, the public be excluded for the following item of business on the grounds that it involves the likely disclosure of exempt information:

- Mobilising System as defined in Paragraph 3; and
- that, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The Motion was put and carried unanimously.

RESOLVED:

That under Section 100A of the Local Government Act 1972, the public be excluded for the following item of business on the grounds that it involves the likely disclosure of exempt information:

- Mobilising System as defined in Paragraph 3; and
- that, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

127. Mobilising System.

The Committee considered an exempt report of the Chief Fire and Rescue Officer concerning the Mobilising System. A copy of the report marked 'Agenda Item 18' is filed with these minutes.

It was moved by Councillor Bool and seconded by Mr Kaufman that the report on the Mobilising System be noted and that the matter be escalated to the Combined Fire Authority for discussion.

The Motion was put and carried unanimously.

RESOLVED:

That the report on the Mobilising System be noted and that the matter be escalated to the Combined Fire Authority for discussion.

128. Date of Next Meeting.

The next meeting of the Corporate Governance Committee is scheduled to be held on 14 July 2021 at 2.00pm via Microsoft Teams.

2.00 - 3.52 pm
10 March 2021

CHAIRMAN

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