

Minutes of a meeting of the CFA - Corporate Governance Committee held at County Hall, Glenfield on Wednesday, 13 March 2019.

PRESENT

Cllr. K. Bool (in the Chair)

Mr. M. H. Charlesworth CC  
Mrs. H. J. Fryer CC  
Cllr. K. Singh Johal  
Cllr. K. Master

Ms. Betty Newton CC  
Mr J. Poland CC  
Mr. R. J. Shepherd CC  
Cllr. A. Thalukdar

In attendance

Richard Hall, Assistant Chief Fire and Rescue Officer  
Paul Weston, Assistant Chief Fire and Rescue Officer  
Alison Greenhill, Treasurer  
Lauren Haslam, Monitoring Officer  
Neil Jones, Internal Audit Leicestershire County Council  
Matt Davis, Internal Audit Leicestershire County Council  
Gavin Barker, Mazars  
Anita Pipes, Mazars  
Anna Poole, Democratic Services Leicestershire County Council

53. Apologies for absence.

Apologies were received from Mr. Bentley CC, Mr Kaufman CC, Mr Harrison CC and Rick Taylor.

54. Declarations of interest.

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

No declarations were made.

55. Urgent Items.

There were no urgent items for consideration.

56. Chair's Announcements.

The Chairman informed the Corporate Governance Committee that the recruitment for the position of Assistant Chief Fire and Rescue Officer had generated a good response; with 8 applicants, of which 4 had been invited to the Assessment Centre on 20 March.

The regional meeting of the Asian Fire Service Association was held recently and was attended by Mrs. Newton CC and Cllr. Singh Johal. Mrs. Newton added that she had been impressed with the number of people that attended and commended the fire fighters who delivered the presentation, which had been well received. She noted that it was the first time that such a conference had been hosted by the Service and hoped that the good work would continue.

57. Minutes of the previous meeting.

The minutes of the meeting held on 23 January 2019 were taken as read, confirmed and signed.

58. External Audit Plan 2018/2019.

The Committee considered a report of the Treasurer which presented the External Audit Plan 2018/19 and provided an update on the appointment of the External Auditor for 2019/20. A copy of the report marked 'Agenda Item 6', is filed with these minutes.

The Chairman welcomed Gavin Barker of Mazars LLP, the CFA's external auditors for 2019/20, to the meeting.

Arising from discussion, the following points were raised:

- i. The Committee noted that the new contract arrangement in place with Mazars LLP delivered a 23% reduction in fees for 2018/19;
- ii. The summary of significant risk areas, detailed on page 24 of the report, included risks that were applicable to all organisations, rather than just the Service as Mazars LLP needed to give an audit opinion on those areas, in order to formulate their overall opinion;
- iii. The value for money conclusion on pages 27 and 28 of the report detailed a review of the arrangements in place to ensure that the Service offered value for money; it was not a review of whether value for money was provided by the Service;
- iv. The focus by Mazars LLP on "Delivery of Budgets and Financial Resilience" was included as a significant risk in the report in order to confirm the arrangements in place in an environment of public sector austerity and not because issues were expected;
- v. There was no certainty on the funding in place beyond 2021, as the outcome of the Comprehensive Spending Review was awaited. This uncertainty also impacted on the fire fighters' pay award, and led to the assumption detailed on page 28 of the report, that any future increases above the 2% budgeted would be met by the Government. The Treasurer reminded members that the budget approved by the Combined Fire Authority at its meeting on 6 February 2019 had included the 2% pay award and also the assumption that any award above this level would be funded by the Government.

**RESOLVED:**

That the External Audit Plan for 2018/19 be noted.

59. Progress against the Internal Audit Plan 2018/19.

The Committee considered a report of the Treasurer concerning progress made against the Internal Audit Plan 2018-19. A copy of the report, marked "Agenda Item 7", is filed with these minutes.

Arising from discussion, the following points were raised:

- i. Of the potential auditable areas detailed in paragraph 6 of the report, the two jobs related to Procurement and ICT Controls had now been completed as follows:
  - a. Key ICT controls - the Network Access Controller had been installed and training completed. However, the second recommendation related to ICT Change Control had been partially implemented and remained a residual risk that would be addressed through a new IT Service Desk Management Tool; it would be included in the Internal Audit plan for next year and the Director of Service Support gave assurance it would be addressed as soon as possible;
  - b. Procurement - the outstanding work detailed in paragraph 15 of the report had been progressed; an up to date contract register was in place, the Procurement Officer training and devolved budget training delivered, and valid contracts in place. Although further testing was required and had been scheduled within the 2019/20 audit plan, the Internal Auditor was happy to move the recommendation to "substantial assurance";
- ii. The partial assurance work for 2017/18 was now in a healthy position; the issues concerning the payroll system related to the payroll supplier rather than LFRS had been resolved and would be tested as part of the 2019/20 audit plan;

The response to the internal audit process by the management team was commended.

**RESOLVED:**

That the progress made against the Internal Audit Plan 2018-19 be noted.

60. Internal Audit Plan 2019-20.

The Committee considered a report of the Treasurer concerning the Internal Audit Plan 2019-20. A copy of the report, marked "Agenda Item 8", is filed with these minutes.

Arising from discussion, the following points were raised:

- i. The 'removal of planned audits' referred to in paragraph 15 of the report would only be necessary if issues of greater risk emerged and only following discussion with the Treasurer and Chief Fire and Rescue Officer;
- ii. Regarding the audit of governance related to absence management and the inclusion of preventative measures such as Mental Health First Aid Training, Members were assured that mental health was taken very seriously by the Service. The company 'Amica' had been appointed to support fire fighters following specific serious incidents; 'TRIM', which gave critical incident debrief at the scene and was used by the Army and Police, was also used.

**RESOLVED:**

That the report and the Internal Audit Plan 2019-20 be noted, including the fact that the detail of the Plan may change during the year in response to emerging issues and risks.

61. The Internal Audit Charter for the CFA - February 2019.

The Committee considered a report of the Treasurer which sought approval for the revised Internal Audit Charter for the Combined Fire Authority. A copy of the report, marked "Agenda Item 9", is filed with these minutes.

The resolution contained within the report was moved by Mrs. M. E. Newton CC and seconded by Mrs. H. Fryer CC. The motion was put and carried unanimously, 17 members voting for the motion, and none voting against.

**RESOLVED:**

That the Internal Audit Charter for the Combined Fire Authority be approved.

62. Financial Monitoring to the end of January 2019.

The Committee considered a report of the Treasurer which presented the budget position as at the end of January 2019 (financial period 10) for the revenue budget and capital programme 2018/19. A copy of the report, marked "Agenda Item 10", is filed with these minutes.

Members were informed that the contingency included in the budget for capital projects was not required; there was also some slippage in some projects, which was not unusual for capital projects.

**RESOLVED:**

That the revenue and capital budget position as at the end of January 2019 be noted.

63. Performance Monitoring April 2018 - January 2019.

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 for the period April 2018 – January 2019. A copy of the report, marked "Agenda Item 11", is filed with these minutes.

The Chairman asked that members be aware of context when interpreting the performance data, as some KPIs showed a *red* performance compared to target which gave cause for concern. However, for some of these indicators, the ability to affect and reduce the performance was outside the control of the Service. For example, regarding KPI 1.9 '*number of medical incident – co-responder incidents*', a negative position was shown in the performance report. This was a responsive indicator generated by other emergency services. Additionally, this 'red' performance was viewed by the Service as a positive performance, as fire fighters were increasingly out supporting the community.

Members agreed that it would be beneficial for officers to review and refresh the KPIs although KPIs would not be removed. A further report would be brought back to the Committee for consideration.

In response to questions, members were informed that:

- i. KPI 1.4 = *Number of other emergency special services attended* – reported on incidents where the service had gained entry for other people such as ‘someone locked out of the house and had left the cooker on’ or animal rescues and rescues from water, whilst KPI 1.9 *number of medical incident – co-responder incidents* related to incidents such as supporting the Ambulance Service;
- ii. Regarding KPI 9.6/9.7 – *sickness levels* – members were informed that the Leicestershire Fire and Rescue Service was in the top quartile of the Cleveland data report, which compares sickness levels across all 45 Fire and Rescue Services in England. Members commended the Service for this performance;
- iii. For KPI 1.7 *setting of deliberate fires*, the performance data showed that levels had increased. Members were informed that significant education and publicity had been undertaken during the summer of 2018 using social media and the press, to highlight the dangers to the public.

**RESOLVED:**

That:

- a) The performance of the Leicestershire Fire and Rescue Service for the period April 2018 – January 2019 be noted;
- b) The method used for reporting performance against key performance indicators, including consideration of an additional category for KPIs which are outside the control of the Service, be reviewed and a report presented to the Corporate Governance Committee at its meeting in September 2019.

64. Service Development Programme and 'Our Plan 2018-21' - Actions Update.

The Committee considered a report of the Chief Fire and Rescue Officer regarding progress made since January 2019 in delivering projects within the Service Development Programme and the tasks included in Appendix A of Our Plan 2018-21. A copy of the report, marked “Agenda Item 12”, is filed with these minutes.

Arising from discussion, the following points were raised:

- i. When conducting the On-Call Review Project, the Service had engaged with the Fire Fighters Association and had taken into consideration the outcomes of their recent survey which explored the issues affecting On-Call fire fighters;
- ii. Officers had received and commented on an initial copy of the report from Her Majesty’s Inspection of Constabulary and Fire and Rescue Services following their inspection. However, members were informed that there was little opportunity to influence the content of the report; the final version was expected in early summer;
- iii. Regarding paragraph 4.22 in the report *Implement a derelict building fire reduction plan*, Members were informed that the Service was working with Leicester Police, Leicester City Council, building owners and district councils to identify derelict properties and reduce arson. Members were asked to raise awareness with

members of their district councils, who may hear of derelict properties through the Community Safety Partnerships and Joint Action Groups.

**RESOLVED:**

That the progress made in delivering projects within the Service Development Programme and the tasks included in Appendix A of Our Plan 2018-21 since January 2019, be noted.

65. Organisational Risk Register.

The Committee considered a report of the Chief Fire and Rescue Officer regarding progress made in the identification, documentation and management of “organisational risk” through the Organisational Risk Register (ORR). A copy of the report, marked “Agenda Item 13”, is filed with these minutes.

Arising from discussion, the following points were raised:

- i. The format of the report had changed since the last report was received by the Committee; it was now built around the structure of the relevant Service strategies;
- ii. The risks presented by Exiting the EU, were being dealt with through the Resilience Partnership and the Fire Chiefs Council; it had not, therefore, been included on the LFRS ORR. Members noted that the issues identified should be included in the ORR, as they impacted on the Service;
- iii. Extra funding had been provided to local authorities to support them with additional costs generated by exiting the EU, especially for those authorities that had a significant airport or port; although surprisingly North West Leicestershire had not been included on the Government’s list of those authorities eligible for support, despite the location of East Midlands Airport.

**RESOLVED:**

That the report on the progress made in the identification, documentation and management of “organisational risk” through the Organisational Risk Register, attached at Appendix A to the report, and the general downward trend in the level of assessed risk, be noted.

66. Governance update.

The Committee considered a report of the Solicitor and Monitoring Officer concerning the arrangements in place to support the corporate governance functions of the Service and the CFA, to enable the Committee to monitor the effectiveness of these arrangements. A copy of the report, marked “Agenda Item 14”, is filed with these minutes.

**RESOLVED:**

That:

- a) The content of the report be noted; and

- b) The Committee receives an annual report, in March each year, on any activity generated by the application of the policies referred to in the report.

67. Blood Donor Scheme and On-Call Recruitment.

The Committee considered a report of the Chief Fire and Rescue Officer regarding the collaboration with the National Health Service Blood Donor Scheme and the On-Call recruitment activity undertaken since the last update was received by the Committee in November 2018. A copy of the report, marked "Agenda Item 15", is filed with these minutes.

Members commended the Service for the innovative approach taken and agreed that there was a need to promote the good news; members agreed to promote within their district councils.

In response to questions, members were informed that the locations chosen for blood donor sessions/recruitment activity had been selected according to need by the Blood Donor Service. Officers hoped to influence the locations chosen to expand the activity wider across both Leicestershire and Leicester City, particularly to engage more with BAME communities.

**RESOLVED:**

That the progress made with the collaboration with the National Health Service Blood Donor Scheme and the update on the On-Call recruitment campaign, be acknowledged.

68. Urgent Items.

Although no urgent items had been received, the Chairman agreed to discuss an issue raised by the Vice Chairman regarding the Fire Service Cadets.

Some Members were not aware of the opportunities available and agreed that more information was required.

**RESOLVED:**

That a presentation on the Fire Service Cadets would be received by the Committee at their meeting on 17 July 2019.

69. Date of Next Meeting.

The next meeting of the Corporate Governance Committee will be held on Wednesday 17 July at 2pm at Fire Services Headquarters, Birstall.