

Minutes of a meeting of the CFA - Corporate Governance Committee held via Microsoft Teams on Wednesday, 16 September 2020.

PRESENT

Cllr. K. Bool (in the Chair)

Cllr. S. Barton
Mr. J. G. Coxon CC
Cllr. L. Fonseca
Mr. D. Harrison CC

Mr. J. Kaufman CC
Ms. Betty Newton CC
Cllr. A. Thalukdar

Apologies

Mr. I. E. G. Bentley CC.

In attendance

Callum Faint, Interim Chief Fire and Rescue Officer
Lauren Haslam, Monitoring Officer
Alison Greenhill, Treasurer
Richard Hall, Assistant Chief Fire and Rescue Officer
Mick Grewcock, Interim Assistant Chief Fire and Rescue Officer
Neil Jones, Head of Internal Audit and Assurance, Leicestershire County Council
Matt Davis, Audit Manager, Leicestershire County Council
Gavin Barker, Mazars
Anna Poole, Democratic Services Officer

68. Appointment of Chairman.

At the Leicester, Leicestershire and Rutland Combined Fire Authority meeting on 29 July 2020, Councillor Bool was nominated as Chairman Elect of the CFA's Corporate Governance Committee.

It was moved by Mrs. M. E. Newton CC and seconded by Mr. D. Harrison CC that Councillor K. Bool be appointed Chairman of the CFA's Corporate Governance Committee for the period ending with the date of the Annual Meeting of the Combined Fire Authority in 2021.

RESOLVED:

That Councillor K. Bool be appointed Chairman of the CFA's Corporate Governance Committee for the period ending with the date of the Annual Meeting of the Combined Fire Authority in 2021.

Councillor K. Bool in the Chair

69. Election of Vice Chairman.

The Chairman confirmed that at the Annual Meeting of the Leicester, Leicestershire and Rutland Combined Fire Authority on 29 July 2020, Mrs. M. E. Newton CC was nominated as Vice Chairman Elect of the CFA's Corporate Governance Committee.

It was moved by Councillor Bool and seconded by Councillor Thalukdar that Mrs. M. E. Newton CC be appointed Vice Chairman of the CFA's Corporate Governance Committee for the period ending with the date of the Annual Meeting of the Combined Fire Authority in 2021. There being no other nominations, the Chairman declared Mrs. M. E. Newton CC be appointed Vice Chairman of the CFA's Corporate Governance Committee.

RESOLVED:

That Mrs. M. E. Newton CC be appointed Vice Chairman of the CFA's Corporate Governance Committee for the period ending with the date of the Annual Meeting of the Combined Fire Authority in 2021.

70. Apologies for absence.

Apologies were received from Mr. Bentley CC.

71. Declarations of interest.

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

No declarations were made.

72. Urgent items.

There were no urgent items.

73. Chair's Announcements.

The Chairman's Announcements were circulated at the meeting, a copy of which is filed with these minutes.

The Announcements covered the following matters:

- An update on the recent staff changes at Leicestershire Fire and Rescue Service;
- Fire Communications Upgrade – hand-held radios
- Uppingham School Fire

The Chairman praised the support of the Leicestershire Fire and Rescue Service in tackling the fire at Uppingham School.

There were no further announcements made.

74. Minutes of the meeting held on 11 March 2020.

The minutes of the meeting held on 11 March 2020 were taken as read, confirmed and signed.

75. Draft Statement of Accounts and Annual Governance Statement 2019/20.

The Committee considered a report of the Treasurer concerning the Draft Statement of Accounts and Annual Governance Statement 2019/20. A copy of the report, marked 'Agenda Item 8', is filed with these minutes.

The Chairman welcomed Gavin Barker from Mazars, the independent External Auditors, to the meeting.

Members were informed that the external auditors had liaised with staff throughout lockdown to complete the audit remotely.

The assurance regarding the Pension Fund was awaited; this was completed by an external company and was expected in the last half of October. Mazars would complete the Assurance and issue an opinion once this had been received.

Members were assured that the significant issues experienced with last years' audit had been addressed and the audit had progressed well, with no significant issues arising.

Mazars informed members that there would be an increase in the fee agreed for the 2019/20 audit due to changes to the Regulations, which had increased the amount of work required by the auditors. The audit fees were controlled by the appointing body Public Sector Audit Accounts Ltd (PSAA) and were set a few years ago. This was now insufficient to cover the work currently required to complete an audit. It was expected that the additional fee would be in the region of £4,500. In response to Members' concerns, Mazars said that the exact increase would be clarified with the Treasurer along with the reasons for the increase, which was in line with what was happening elsewhere. The Treasurer informed members that the issue of audit fees would be discussed at a future meeting.

Following questions, members were informed that the increase in staff who earned more than £40,000 salary detailed on page 75 of the Draft Annual Accounts 2019/20 Officers' Remuneration was not additional staff recruited to the service. The data showed that staff had moved from one pay bracket to another as part of their annual increment and pay award. This would not increase costs to the Service, as salary increases were expected and had been factored into the budget forecast. As there was no requirement to detail salary levels up to £50,000 in the final set of the Accounts, the top two rows detailed on page 75 of the Accounts (showing staff earning £40,000-£44,999 and £45,000-49,999) would be removed.

The recommendations in the report were moved by Councillor Bool and seconded by Mrs Newton.

RESOLVED:

That

- a) the draft Statement of Accounts and Annual Governance Statement for 2019/20 attached at Appendix 1 to the report, be noted prior to approval by the CFA; and
- b) the external audit update report provided by Mazars attached at Appendix 2 to the report, particularly the significant improvements made by the Authority in working practices since the presentation of the Accounts in 2019, be noted.

76. Financial Monitoring to end July 2020.

The Committee considered a report of the Treasurer concerning the key issues arising from the revenue budget and capital programme as at the end of July 2020. A copy of the report, marked 'Agenda Item 9', is filed with these minutes.

The Treasurer explained that the transfer of £1,434,000 of unbudgeted additional income to an earmarked reserve had been generated from the continuing uncertainty over grant income. This related to the New Dimensions Grant, the allocation of which was higher than expected or budgeted, so generating a surplus, and also from Covid-19 grant funding where it had been difficult to predict the impact of the pandemic on the Fire Authority. As the future situation was unpredictable and likely to continue into the longer-term, it was proposed to transfer the money to the earmarked reserve to address the potential future impacts of the pandemic.

The Interim Chief Fire and Rescue Officer added that a surplus had also been generated from the budget for recruitment of retained staff, which had regularly underspent over the last five years. The aspiration was to recruit a full complement of on-call staff, but in reality, this had been challenging to achieve, which followed the national trend, so generating a surplus. He added that some of the reserved budget would be reallocated to meet legislative changes as a result of the outcome of the Grenfell enquiry.

The recommendations in the report were moved by Councillor Bool and seconded by Mr. D. Harrison CC.

RESOLVED:

That

- a) the revenue budget and capital programme position as at the end of July 2020 be noted; and
- b) the transfer of £1,434,000 of unbudgeted additional income to an earmarked reserve to assist with meeting future costs, demands and shortfalls in the budget, some which may result from the Covid-19 pandemic, be approved.

77. Head of Internal Audit Service Annual Report 2019/20.

The Committee considered a report of Treasurer concerning the Head of Internal Audit Service Annual Report 2019/20. A copy of the report, marked 'Agenda Item 10', is filed with these minutes.

Members were informed that for 2019/20 reasonable assurance that overall the control environment was adequate and effective had been reported. Whilst there were areas that required further attention, the controls to mitigate key risks were generally operating effectively. The Head of the Internal Audit Service (HoIAS) said that he was, on the whole, satisfied with the management response to resolving identified issues. The audit days provided were as planned.

In response to questions, members were assured that:

- i. the Internal Audit team would continue to follow up the High Importance recommendations until full assurance could be given;

- ii. the Service had recently recruited to some of the vacant posts which would help to progress the areas of concern and lead to full assurance ratings in the future.

The Treasurer echoed the comments made.

It was moved by Mrs. M. E. Newton CC and seconded by Mr. D. Harrison CC that the Head of Internal Audit Service Annual Report 2019/20 be noted.

RESOLVED:

That the Head of Internal Audit Service Annual Report 2019/20 be noted.

78. Progress against the Internal Audit Plan 2020/21.

The Committee considered a report of the Treasurer concerning the progress made in delivering the Internal Audit Plan 2020 – 21. A copy of the report, marked 'Agenda Item 11', is filed with these minutes.

Members were informed that the Plan had been amended as a result of the Covid-19 pandemic since its approval in March 2020 and, despite the challenging year, more than 60% of the Plan was being addressed. Only one area of work had been delayed due to Covid-19 which was a significant achievement and demonstrated the excellent working relationship with the Service and Leicester City Council.

Regarding the High Importance recommendations, members were informed that for:

- i. Change management processes, a view could not be given until November when the new Service Desk Management System had established;
- ii. Key Financials and Key Controls Payroll, it was more efficient for this to be audited as part of the 2021 work, which was expected to start in November; and
- iii. Contract Procedure Rules would be addressed as part of a project at the Service and detail of this would be included in the progress report to the Committee in March 2021.

Members were assured that work was continuing during the pandemic, with a slightly different method of delivery. Most evidence was collected electronically with occasional on-site visits.

The pandemic had created additional risks including cyber security, IT infrastructure, remote access and security and the need to manage the capacity of the network. The best approach to the completion of this work was currently being discussed with officers and an update would be provided to the Committee in March 2021.

It was moved by Councillor K. Bool and seconded by Mrs. M. E. Newton CC that the progress against the Internal Audit Plan 2020/21 be noted.

RESOLVED:

That:

- a) the progress against the Internal Audit Plan 2020/21 be noted;

- b) that the update provided to the Committee in March 2021 would detail progress with the High Importance Recommendation - Contract Procedure Rules and also the audit work completed on the risks associated with Covid-19.

79. Performance Monitoring April - July 2020.

The Committee considered a report of the Interim Chief Fire and Rescue Officer which presented an update on the performance of the Leicestershire Fire and Rescue Service (LFRS) for the period April to July 2020. A copy of the report, marked 'Agenda Item 12', is filed with these minutes.

Arising from discussion, the following points were raised:

- i. Performance had been heavily influenced by the Covid-19 pandemic. Some performance indicators had decreased as a result including the number of calls/incidences, attendance times and sickness rates;
- ii. The number of fire inspections and Home Fire Safety Checks had reduced as businesses had closed during lockdown, workers had been furloughed and the Service was unable to access residents' homes;
- iii. Whilst there had been a reduction in the number of fatalities in a non-fire environment (usually road traffic collisions), the majority of those recorded linked to accessing residents' property and welfare issues.
- iv. Performance followed the national trend.

It was moved by Councillor K. Bool and seconded by Mrs. M. E. Newton CC that the performance of the Leicestershire Fire and Rescue Service for the period April – July 2020 be noted.

RESOLVED:

That the performance of the Leicestershire Fire and Rescue Service for the period April – July 2020 be noted.

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

The Committee considered a report of the Interim Chief Fire and Rescue Officer concerning progress made with the implementation of the Improvement Plan. A copy of the report marked 'Agenda Item 13' is filed with these minutes.

Members were informed that HMICFRS would visit the Service in October to conduct a Covid-specific inspection. It was expected to be a lighter inspection than previously; interviews would be conducted with officers and the Chairman of the CFA. New staff had recently been appointed, and it was hoped that some of the areas identified in need of attention in the Inspection report would be addressed. This was especially so for the new Head of Organisational Development, who would drive forward the 'people' elements of the Improvement Plan.

It was moved by Councillor K. Bool and seconded by Mr. D. Harrison that the progress made with delivery of the Improvement Plan be noted.

RESOLVED:

The progress made with delivery of the Improvement Plan be noted.

81. Service Development Programme and 'Our Plan 2020-24'.

The Committee considered a report of the Interim Chief Fire and Rescue Officer concerning progress made since March 2020 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 14', is filed with these minutes.

The Chief Fire and Rescue Officer informed Members that a key piece of work as part of the Service Development Programme had been the appointment of a new payroll provider, and he thanked the Treasurer and her Team for their support.

It was moved by Councillor K. Bool and seconded by Mrs. M. E. Newton CC that the progress made since March 2020 in the delivery of projects within the Service Development Programme and the tasks that are included in Our Plan 2020-24 be noted.

RESOLVED:

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

82. Organisational Risk Register.

The Committee considered a report of the Interim Chief Fire and Rescue Officer concerning progress made with the identification, documentation and management of organisational risk through the Organisational Risk Register. A copy of the report, marked 'Agenda Item 15', is filed with these minutes.

The Interim CFO informed members that Covid-19 was continuing to pose a challenge to the Service and the Risk register would continue to evolve as the dynamics of service delivery changed in response to the pandemic. However, there were currently no major areas of concern.

It was moved by Mr. D. Harrison and seconded by Councillor S. Barton that the content of the report and the Organisational Risk Register be noted.

RESOLVED:

That the content of the report and the Organisational Risk Register be noted.

83. Governance Update.

The Committee considered a report of the Monitoring Officer concerning governance and ethical issues. A copy of the report marked 'Agenda Item 16' is filed with these minutes.

The Monitoring Officer informed members that it was intended to review and update the policies for Gifts and Hospitality and Whistleblowing to ensure that they were still fit for purpose. If significant changes were proposed, they would be brought back to the

Committee for approval. There were no standards issues or complaints related to members.

It was moved by Councillor K. Bool and seconded by Mr. J. Coxon CC that the update provided on governance and ethical issues be noted.

RESOLVED:

That the update provided on governance and ethical issues be noted.

84. After the Incident Survey 2019/20.

The Committee considered a report of the Interim Chief Fire and Rescue Officer concerning the outcomes of the After the Incident Survey 2019/20. A copy of the report marked 'Agenda Item 17' is filed with these minutes.

Arising from discussion, the following points were raised:

- i. A considerable amount of time and effort had been invested in the system and officers were pleased that this had resulted in positive outcomes. Plans were now in place to revise the Survey so that it included more 'open' questions to enable it to be used as an improvement tool in the future.
- ii. Officers would be sharing best practice from those stations that had higher response rates to the Survey to ensure that this success was replicated across the area.
- iii. The timing for the issuing of the Survey was critical and sensitive according to the type of incident attended; Officers attending the incident used their discretion at the time.

Members noted that respondent demographics showed a higher percentage of females completed the Survey and that respondent data did not reflect the demographics of the area. The Interim Chief Fire and Rescue Officer said that this data would also be reviewed to ensure that Surveys were being distributed fairly and equally, and to consider including a variety of methods for the submission of feedback; currently this was only completed online, which was recognised as a potential barrier to some people.

It was moved by Councillor S. Barton and seconded by Mr. D. Harrison CC that the After the Incident Survey Summary findings be noted.

RESOLVED:

That the After the Incident Survey Summary findings be noted.

85. Appointment of Independent Persons.

The Committee considered a report of the Monitoring Officer concerning the appointment of Independent Persons to support the Member Conduct Complaints Process as required under Section 28 (7) of the Localism Act 2011 and to support the procedures for dealing with the dismissal of the Chief Fire and Rescue Officer, the Monitoring Officer and the Treasurer, as required by the Local Authorities (Standing Order) England Regulations

2001 (as amended). A copy of the report marked 'Agenda Item 18' is filed with these minutes.

It was moved by Councillor K. Bool and seconded by Mrs. M. E. Newton CC that

- a) the decision taken by the Committee and the Chairman on 12 June 2020 to approve the joint recruitment process with Leicestershire County Council be noted; and
- b) the Combined Fire Authority at its meeting in September 2020 be recommended to appoint Richard Gough, Gordon Grimes, Tina Herring, Hema Kotecha, Surinder Sharma and Pamela Roberts to serve as Independent Persons for a term of four years ending on 30 September 2024.

RESOLVED:

That:

- c) the decision taken by the Committee and the Chairman on 12 June 2020 to approve the joint recruitment process with Leicestershire County Council be noted; and
- d) the Combined Fire Authority at its meeting in September 2020 be recommended to appoint Richard Gough, Gordon Grimes, Tina Herring, Hema Kotecha, Surinder Sharma and Pamela Roberts to serve as Independent Persons for a term of four years ending on 30 September 2024.

86. Date of Next Meeting.

The next meeting of the Corporate Governance Committee is scheduled to be held on 18 November 2020 at 2pm via Microsoft Teams.

2.00 - 3.35 pm
16 September 2020

CHAIRMAN