

Dorset Fire Authority

Audit and Scrutiny Committee

Minutes of a meeting held at the Fire and Rescue Service Headquarters, Poundbury, Dorchester on 19 September 2014.

Present:

Mr Trevor Jones (Chairman)
Mr Christopher Rochester (Vice-Chairman)
Mr Les Burden, Mr Mike Byatt, Mr Barry Goldbart and Mr John Wilson.

Officers Attending

Mr Darran Gunter (Chief Fire Officer), Mr Richard Bates (Treasurer), Mr Ian Cotter (Head of Financial Services), Mr Richard Ironside (representing the Treasurer), Mrs Sally White (Manager, South West Audit Partnership), Mrs Alison Holmes (Senior Auditor, South West Audit Partnership), Ms Lisa Pharaoh-Workman (Deputy Clerk) and Mrs Helen Whitby (Committee Officer).

Mrs Rebecca Knox attended under Standing Order 49.

Also attending, for certain items, as appropriate:-

Mr Harry Mears (KPMG Manager) – minutes 64 and 65.
Mr Robert Ford (Head of Corporate Planning) – minutes 66 and 67.
Colin Chapman (Assistant Chief Officer - Service Support) – minutes 64,65 and 69.
Ms Vikki Shearing (Head of Information Management) – minutes 76 and 77.

(Note: These minutes have been prepared by officers as a record of the meeting and of any decisions reached. They are to be considered and confirmed at the next meeting of the Fire Audit and Scrutiny Committee on **6 January 2015**).

Apologies for Absence

58. There were no apologies for absence.

Code of Conduct

59. There were no declarations by members of any disclosable pecuniary interests under the Code of Conduct.

Minutes

60. The minutes of the meeting held on 14 March 2014 were confirmed and signed.

Matters Arising

Road Safety Statistics – Minute 55

61.1 Further to minute 55.1, it was confirmed that a letter from the Chairman had been sent to the Chairman of the Dorset Road Safety Partnership with a response having been received from the Assistant Chief Constable. This suggested that a meeting between the Police and Crime Commissioner, Chief Constable, Chief Fire Officer and Chairman of the Authority be arranged to discuss blue light matters and road safety issues.

61.2 The Chief Fire Officer reported receipt of a letter from the Police and Crime Commissioner about counter services. He reminded members that the Dorset Fire Authority had previously considered a report about shared facilities and that plans were progressing for the Portland Fire Station site to be a shared facility.

Noted

External Audit Report 2013/14

62.1 The Committee considered a report by the Treasurer on the external audit work carried out by KPMG during the financial year 2013/14. It was anticipated that KPMG would issue an unqualified audit opinion and an unqualified Value for Money conclusion by 30 September 2014 and the Authority was deemed to have proper arrangements to secure economy, efficiency and effectiveness in the use of its resources. The report contained no adverse comments although future funding pressures, future costs and demand pressures remained a key audit risk.

62.2 The KPMG Manager confirmed that the audit fieldwork had been completed and an unqualified opinion would be issued by the end of September 2014. There were no significant adjustments and only one key risk, that being how the Dorset Fire Authority was dealing with the on-going necessary savings. The Auditors considered the Authority's approach to be sensible.

62.3 In response to a question about Wiltshire Fire Authority's audit performance, the KPMG Manager stated that although a colleague at KPMG was responsible for their audit, he was unable to comment on their performance. He would continue to support the Dorset Fire Authority with combination work.

62.4 The Chief Fire Officer asked how it may be possible for external audit to divert some of the forthcoming audit work to provide assistance and reassurance on the combination work in view of the opinion that the Authority was currently low risk. He suggested that consideration be given to the implications and risks of the combination and how this could best be managed. The Chairman asked for a report to the Committee's next meeting on how this joint work could be progressed.

62.5 The Chief Fire Officer reminded members that the combination business case would be considered by the Fire Authority in early November and that this would be more robust if financial information could be included. He said that it would be helpful if a policy framework was in place by day one of the combination as this would provide assurance about compliance. The KPMG Manager confirmed that financial information could be dealt with on a joint basis.

Resolved

63.1 That the report be noted.

63.2 That a report on the potential role of external audit in assisting with the combination work be provided for the Committee's next meeting.

Corporate Statement of Assurance

64.1 The Committee considered a report by the Chief Fire Officer on the Corporate Statement of Assurance. The Authority was required to publish the Statement of Assurance under the National Framework 2012 and failure to do so would result in the Authority being in breach of its duty under the Accounts and Audit (England) Regulations 2011.

64.2 The Chief Fire Officer stated that the Authority had to comply with the National Framework 2012 or explain why it had not and the Statement of Assurance provided evidence of how the Authority complied. Last year's Statement had been the first but no feedback from the Department for Communities and Local Government (DCLG) had been received as to its appropriateness or whether any changes were necessary. In the absence of comments from the DCLG members supported this approach.

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Annual Governance Statement 2013/14

64.3 The Head of Corporate Planning presented the Annual Governance Statement for 2013/14. It had provided assurance that the Authority conducted its business according to best practice identified by CIPFA and SOLACE and that appropriate governance arrangements were in place. The Statement had been developed in conjunction with the Treasurer and the External Auditors and the Institute of Directors were of the view that the Authority had strong processes in place. Any significant risks were included in the Corporate Risk Register and appropriate controls identified to address them. The Register currently contained eleven risks.

64.5 The Chairman of the Authority was confident that the identified high risk areas were being addressed. She also referred to a seminar which was to be arranged for mid 2015 on training and firefighter competence.

64.6 With regard to industrial action, the Chief Fire Officer updated members on the current position of talks between the Fire Brigade Union and the Minster. He also highlighted the Authority's current staffing difficulties as a result of having 18 vacancies, which included a number of staff on temporary contracts which resulted in up to a 15% reduction in the operational work force. The Chairman, who sat on the Fire Service Management Committee at the Local Government Association, explained the national picture with regard to the pay negotiations.

Health and Safety Framework Annual Report 2013/14

64.7 The Assistant Chief Officer - Service Support presented the health and safety framework annual report for 2013/14. This was the sixth annual report and demonstrated the Authority's performance against the Health and Safety Assurance Framework. The report set out the Authority's policy statement and overall ratings from 2011 to 2014. Any significant issues were allocated a lead officer and tracked through the performance monitoring system. There were thirteen significant issues to be allocated currently.

Annual Operational Capability Assurance Statement 2013/14

64.8 The Assistant Chief Officer – Service Support presented the annual operational capability assurance statement 2013/14. The statement set out every incident which could occur, how the Authority would respond and showed the Authority's operational capacity and capability to respond. With regard to the risk of forest or moorland fires, members noted that this process had been reviewed for readiness to respond and this had resulted in an "Advanced" rating. Attention was drawn to HL42 (Loss of cover due to industrial action by works providing a service critical to the preservation of life) where the rating had improved from "Established" to "Advanced".

64.9 One member suggested that in future arrows be used to clearly indicate how ratings had performed. It was also suggested that a note at the bottom of the page could indicate which risks were unlikely ever to improve.

64.10 In response to a question about the threat from terrorism, the Chief Fire Officer explained local arrangements to counter any terrorist attack.

Operational Assessment Peer Review Improvement Plan Annual Review 2013/14

64.11 The Plan set out thirty eight areas for improvement and actions being taken to address them, their current status and the lead officer for each. These had all been completed. The Chief Fire Officer added that the Plan was usually reported on a three yearly cycle but in preparation for the Olympics the last peer review inspection was in 2012. A

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decision about when the next one would be reported would be made once a decision had been made about the combination.

Diversity and Inclusion Assurance Framework Annual Report 2013/14

64.12 The Framework had four themes and covered 26 policy statements. Three of the themes were rated “Excellent”, and one as “Good”. This gave the Authority an overall rating of “Excellent”, Dorset being the only Fire and Rescue Service to achieve this.

64.13 The Chairman of the Authority added that as a result of the Authority’s achievement, they had been asked to undertake an assessment of Cornwall Fire and Rescue Service’s Equality and Diversity arrangements prior to their forthcoming Peer Review.

64.14 With regard to what happened to current accreditations following the combination with Wiltshire, the Chief Fire Officer explained that the majority would be lost. However, in some areas such as health and safety accreditations would be partially maintained. He hoped that the British Standard 18001 would be expanded to any new Authority.

64.15 Members commended officers on their achievement.

Fire and Rescue Service National Framework Annual Review 2013/14

64.16 The Annual Review set out the Authority’s performance against the requirements of the National Framework. Previous updates had been included so that any changes were easily identifiable.

Information Governance Framework Annual Report 2013/14

64.17 The Framework ensured that information the Authority had was accurate, met legal requirements, was dealt with efficiently and was secure. The report indicated that the Authority’s current rating was “Good”. Eight key issues had been identified and these had been allocated to a senior officer.

64.18 The Chairman thanked officers for a comprehensive report.

Recommended

65. That the draft Statement of Assurance be endorsed by the Dorset Fire Authority on 24 September 2014.

Internal Audit Annual Report and Opinion 2013/14

66.1 The Committee considered a report by the Treasurer which summarised the work of the Internal Audit Service for 2013/14 and provided a positive opinion on the framework of risk management, governance and internal control based on the internal audit work undertaken during the year; and a list of audit assignments undertaken by the South West Audit Partnership (SWAP) during 2013/14, including the respective assurance ratings and ranking of any recommendations made.

66.2 The Manager of South West Audit Partnership, presented the report drawing attention to the current status of each planned assignment for 2013/14, that the Authority was fully compliant with the Public Sector Internal Audit Standards and the positive audit opinion issued.

66.3 Members were reminded that due to sickness absence concerns raised the previous year a number of operational audits had been undertaken but fortunately this

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pattern had not continued. There were three priority four recommendations, but after discussion, one of these had reduced to a priority three.

Resolved

67. That the completion of the Annual Internal Audit Plan for 2013/14 and the outcomes of the work completed be noted.

Internal Audit Update Report for the 2014/15 Audit Plan

68.1 The Committee considered a report by the Treasurer which summarised the work of the Internal Audit Service for the 2014/15 Audit Plan which included a schedule of audits completed since the last update.

68.2 The Manager, South West Audit Partnership, presented the report drawing attention to the progress of audits in the 2014/15 Plan and outcomes of audit assignments completed between March and August 2014. She confirmed that where there were concerns or recommendations, these were allocated to a senior officer and dealt with appropriately.

Noted

Professional Standards Internal Audit End of Year Report for 2013/14 and Progress of Current Annual Audit Plan (2014/15)

69.1 The Committee considered a report by the Chief Fire Officer which set out end of year progress against the internal audit plan for the year 2013/14 and the current status of the annual audit plan for 2014/15.

69.2 The Assistant Chief Officer – Service Support summarised the report. He drew attention to the “Reasonable” audit opinion given by South West Audit Partnership following a review of the Professional Standards Team for 2013/14 and that the Authority was responding to recommendations arising from the audit. A Manager had been appointed to implement their findings. Members noted that the audit for 2014/15 was at an advanced state. The Chief Fire Officer added that the South West Audit Partnership undertook the more independent and experienced audits and stated that the Treasurer had approved the robustness of the audit processes.

Noted

Annual Accounts 2013/14

70.1 The Committee considered the Authority’s Annual Accounts for 2013/14 as they had delegated authority to approve them. Members were provided with an amended page 58 to the accounts.

70.2 The Treasurer representative presented the Annual Accounts for approval, summarising the financial position at the year end.

70.3 One member referred to the need for financial transactions to be published and asked what effect this had. The Treasurer’s representative confirmed that transactions were published but was unaware of public interest. The Treasurer added that publication of this information involved a lot of work for staff and had little benefit to the Authority. It increased transparency but at the risk of increasing phishing for financial information.

70.4 With regard to why member allowances had reduced since 2012/13, the Chairman of the Authority explained that some members had multiple roles, that members were no longer sent to the Fire College for visits and attendance at ad hoc conferences had

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also been reduced. The Treasurer agreed to provide detailed information about individual members' allowances.

Resolved

71.1 That the accounts be approved.

71.2 That the Chief Fire Officer sign the accounts.

71.3 That the Treasurer and Chairman sign off the "management representation" letter as required by the external auditor.

Dorset Overarching Information Sharing Protocol

72.1 The Committee considered a report by the Chief Fire Officer which provided an update on the Dorset Overarching Information Sharing Protocol (DOAISP).

72.2 The Chief Fire Officer reminded members that the effectiveness of the DOAISP had been raised at a previous meeting and the report set out the current position with information security and gave examples of the benefits of information sharing.

72.3 The Head of Information Management reminded the Committee that the Authority had signed up to the DOAISP in 2008 so that information could be shared more easily between partners, particularly in Dorset. The DOAISP met governance standards which meant that data was securely exchanged and stored. She emphasised the benefits of information sharing and, although the Protocol complied with the Data Protection act, she drew attention to the risks associated with insecure information sharing and the possible cost of up to £500k if security was not maintained. The Chief Fire Officer referred to the case studies included in the report which illustrated the benefits of information sharing, particularly for vulnerable people.

72.4 With regard to whether information would be shared with the NHS, the Chief Fire Officer explained that pressure was building for a national data sharing agreement and it had been suggested that Dorset be used to pilot such a scheme.

72.5 The Chairman of the Authority, as Chairman of the Dorset Health and Wellbeing Board, thought data sharing was an issue for all partners. She suggested that the Committee write to the Chairmen of the Dorset and Bournemouth and Poole Health and Wellbeing Boards so that they could discuss the importance to the Fire and Rescue Service of data sharing amongst partners, including the NHS. Attention was drawn to the role that members could play in breaking down barriers through the various contacts and roles they had and the potential benefits this could have for the residents of Dorset.

Resolved

73. That a letter from the Committee be sent to the Chairmen of the Dorset and Bournemouth and Poole Health and Wellbeing Boards identifying the importance to the Dorset Fire Rescue Service of data sharing amongst partners.

Work Programme 2014/15

74.1 The Committee considered its work programme for 2014/15.

74.2 The Chief Fire Officer drew attention to the provisional dates for meetings in 2015 (6 January, 13 March, 7 July, 18 September and 3 November). He then asked members to consider whether the Committee needed to meet on 20 November 2014, given that the Authority would be considering the combination at their meeting on 4 November 2014 and, if agreed, the amount of work which would need to be undertaken in a fairly short timescale.

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74.3 It was agreed that the Chairman and Vice-Chairman would consider the need for the meeting on 20 November 2014 outside of the meeting. The result would be announced at the Authority meeting on 24 September 2014.

Noted.

Questions

75. No questions were asked by members under Standing Order 17.

Meeting duration - 10.00am – 11:50am