



**DORSET & WILTSHIRE
FIRE AND RESCUE
AUTHORITY**

Item 17/59

**DRAFT Minutes of the
Finance, Governance and Audit Committee
held at 11:00 hours on Friday 29 September 2017 at the
Dorset & Wiltshire Fire and Rescue Service Headquarters, Salisbury**

These are draft minutes prepared by Officers to be approved by the Finance, Governance & Audit Committee at their next meeting.

Members present: Cllr Bob Jones (Chairman); Cllr Colin Jamieson (Vice Chairman); Cllr Les Burden; Cllr Malcolm Davies; Cllr Peter Hutton; Cllr Robert Yuill; Cllr Colin Lovell; Cllr Nick Martin; Cllr Richard Biggs; Cllr Byron Quayle; Cllr Pip Ridout.

Officer attendance: Clerk & Monitoring Officer to DWFRA, Mr Jonathan Mair; CFO Ben Ansell; Director of Finance & Treasurer, Mr Phil Chow; Deputy Chief Fire Officer, Mr Derek James; ACFO Mick Stead, Director of Prevention and Protection; Head of Financial Services, Mr Ian Cotter; Head of Strategic Planning and Knowledge Management, Mr Robert Ford; Head of Human Resources, Mrs Jane Staffiere; Head of Information Management and Communications, Mrs Vikki Shearing; Senior Health & Safety Advisor, Mr John Lincoln.

Guests: Mr Robin Pritchard and Mr David Long, Gateway Assure Ltd, and Mr Darren Gilbert, KPMG

17/30 Welcome

17/30.1 The Chairman opened the meeting and welcomed attendees

17/31 Apologies

17/31.1 Apologies were received from Deputy Clerk & Monitoring Officer to DWFRA, Ms Grace Evans.

- 17/32 Code of Conduct, Declarations of Interest and Notifications of Any Other Business**
- 17/32.1 The Chairman asked the meeting for any disclosures of pecuniary interests under the Localism Act. There were no disclosures.
- 17/33 Minutes of the Dorset & Wiltshire Fire and Rescue Authority meeting on 7 July 2017**
- 17/33.1 The chairman asked members to review and approve the minutes from the last meeting. Action 17/26.4 Member workplace relations should be completed in next two weeks. Item 17/25 - should be amended to 'resolved'.
- 17/33.2 **RESOLVED: that the minutes be confirmed with a minor amendment, and signed by the Chairman as a correct record.**
- 17/34 Election of Vice Chairman**
- 17/34.1 The Chairman proposed Cllr Colin Jamieson as the Vice Chairman. There being no other nominations, Cllr Jamieson was elected.
- 17/34.2 **RESOLVED: Cllr Colin Jamieson be Vice Chairman of the Finance, Governance and Audit Committee.**
- 17/35 Internal audit quarterly report (July – September)**
- 17/35.1 Mr Robin Pritchard, Engagement Director, Gateway Assure, was welcomed to present his report.
- 17/35.2 During this quarter, two internal audits had been undertaken covering the areas of Information Systems Migration and IT Health Check. Both audits received substantial level assurances with no fundamental risks arising from these audits. Management responses had been proposed to address the issues raised in the report.
- 17/35.3 Mr Pritchard confirmed there were sound processes in place for bringing information management systems together. Progress was going well. There were minor recommendations for improvement that management had agreed to pursue. He further confirmed that the Authority should take comfort from the IT health check audit with some recommendations for management consideration that again had been agreed to progress.
- 17/35.4 After discussion on a number issues associated with the penetration testing regime and inventory management, Members agreed to the report. The recommendations will continue to be monitored via the normal quarterly arrangements.

- 17/35.5 **RESOLVED: Members approved the management responses to the Internal Audit report.**
- 17/36 Progress against audit recommendations**
- 17/36.1 The Chairman welcomed the Head of Strategic Planning and Knowledge Management, Mr Robert Ford. Mr Ford took Members through the background and progress being made to implement the agreed management actions.
- 17/36.2 Although a number of recommendations have been identified, none were judged to represent a significant risk to the Authority. Significant progress was being made with no major areas of concern. Members asked if the report could be formatted to allow a clearer presentation of the management action.
- 17/36.3 **RESOLVED: Members approved the progress made towards completing the agreed improvement activities.**
- 17/37 Health & Safety Assurance Statement 2016/17**
- 17/37.1 The Chairman welcomed Senior Health & Safety Advisor, Mr John Lincoln who took Members through the assurance statement. Mr Lincoln added that Officers were maintaining approaches across Service and working towards British Standards Institute (BSI) 180001 across the Service in line with the corporate target.
- 17/37.2 Members discussed the health and safety assurance statement 2016/17 which supports the approved Health and Safety policy agreed by the Authority in June 2017. Officers formed a fit for purpose judgement against set criteria using professional judgement and supporting evidence. The detailed assurance framework was discussed and agreed by the Health, Safety and Welfare Committee and the Strategic Leadership Team in July and discussed with the nominated Member Champions. The results were used to provide an overall judgement for the Service as a whole against the agreed policy. The overall grade allocated in this Annual Health and Safety Assurance Report is 'Good'. Following some discussion, Members approved the report.
- 17/37.3 **RESOLVED: Members noted and approved the report.**
- 17/38 Statement of Account & Annual Governance Statement**
- Taken after 17/39
- 17/38.1 Mr Chow advised that the Accounts and Audit (England) Regulations require that the annual Statement of Accounts be approved by the Authority by 30 September each year. The Authority's Statement of Accounts for 2016/17

have been produced and externally audited, and submitted for scrutiny and approval. The Director of Finance and Treasurer, Mr Phil Chow was pleased with the audit outcomes for the first year of business as the new Service. He reminded Members there were no comparable details from previous years set of accounts, as the previous two sets of financial accounts had been managed slightly differently in both former authorities. The Regulations also require an Annual Governance Statement (AGS), to accompany the accounts, which also required approval. Following the presentation of the auditors' report and the approval of the accounts, a signed Audit Opinion was issued to form part of the published accounts.

17/38.2 Members discussed the report and were content that the annual governance statement was a fair reflection of the key issues facing the Authority and were being monitored through the strategic risk register.

17/38.3 **RESOLVED: Members approved the Statement of Accounts 2016/17 and the accompanying Annual Governance Statement.**

17/38.4 **ACTION: The Management Representation Letter, which represents the Authority's position, is to be signed by Treasurer and Chairman.**

17/39 External Audit 2016/17

Taken before 17/38

17/39.1 KPMG Audit Director, Darren Gilbert was welcomed to the table to present his report. He took Members through the ISO 260 report and highlighted areas of interest. He added that the report provided Members with a summary of the key audit findings from the external audit of the Dorset & Wiltshire Fire and Rescue Authority 2016/17 financial statements.

17/39.2 Mr Gilbert drew Members attention to particular issues which relate to more complex areas of finance including both pensions and assets which are liabilities for the organisation.

17/39.3 Mr Gilbert reminded Members that there will be changes to future financial statements to comply with the Chartered Institute of Public Finance and Accountancy's (CIPFA) guidance. He extended his thanks to the finance team who worked hard to get sound arrangements in place. .

17/39.4 **RESOLVED: Members reviewed the audit findings and noted the recommendations.**

17/40 Statement of Assurance 2016/17

- 17/40.1 The DCFO, Mr Derek James, introduced the draft statement of assurance adding that it had been scrutinised by the Strategic Leadership Team (SLT), and the Clerk and Monitoring officer. It had also been discussed with the Member governance champions. Member champions asked for a number of background documents to be provided to this meeting.
- 17/40.2 Mr James went on to give the background to the document which included the requirement that all Fire and Rescue Authorities are to provide an annual statement of assurance under the Fire and Rescue National Framework 2012. The statement covers financial, governance and operational matters. Should this Committee recommend this draft statement of assurance, it will be taken to the Authority meeting in December for it to approve. Mr James added that the Strategic Risk Register is derived from the annual Statement of Assurance.
- 17/40.3 Members discussed the report and asked that a reference be made to the Health and Safety at Work Act (s) to be included.
- 17/40.4 **RESOLVED: Subject to the amendment in 17/40.3, Members recommended the draft statement of assurance 2016/17, to the Authority for approval at its next meeting on 5 December 2017.**
- 17/40.5 **ACTION: The Deputy Chief Fire Officer to refer to the Health and Safety at Work Act(s) in the draft Statement of Assurance 2016/17.**
- 17/40.6 **ACTION: Democratic Services to add the Draft Statement of Assurance 2016/17 to the agenda for the Authority meeting on 5 December 2017.**

17/41 Annual Report 2016/17

- 17/41.1 This is the first annual report for the new Authority covering the period 2016/17. The report is focussed for the public to show what the Service provides. The report is aligned to the priorities set out in the Community Safety Plan approved in April 2016 and distils the headline performance as presented to the Authority in June 2017 by the CFO, Ben Ansell. Once agreed, the report will be available on the website along with the approved Statement of Assurance and Annual Accounts. The Chairman and the CFO has offered to present it to the constituent authority.
- 17/41.2 Members discussed the content and asked for some amendments to be made to aid understanding of graphs and photographs. The Chairman and Vice Chairman of this committee and the Chief Fire Officer and Deputy Chief Fire Officer agreed to make amendments as outlined at the meeting before final publication.
- 17/41.3 **RESOLVED: Members approved the Annual Report 2016/17 as set out in Appendix A, subject to amendments outlined above.**

- 17/41.4 **ACTION: The Chairman and Vice Chairman of this committee and the Chief fire Officer and Deputy Chief Fire Officer to make amendments as outlined in 17/41.2.**
- 17/42 1st Quarter Financial Performance 2017/18**
- 17/42.1 The Head of Financial Services, Mr Ian Cotter, summarised the report before taking Members through it.
- 17/42.2 The report provided an analysis of the financial position for the 1st quarter of the 2017/18 financial year, reflecting spending to 31 July 2017. Section 2 of the report dealt with the revenue budget which highlighted a potential underspend of £937k, principally arising from savings on employee costs and additional grant funding and contributions, but with less reliance on reserves to support the budget; Section 3 provided an update on reserves and balances; and Section 4 provided an updated capital programme cost of £13.807m, including items carried forward from 2016/17. At this stage forecasted spending for the year is £10.111m.
- 17/42.3 Members discussed the report. The Chairman has asked for fitness equipment status to be clarified. The Head of Human Resources, Mrs Jane Staffiere provided Members with an opportunity to discuss details immediately after this meeting. Mrs Staffiere would circulate a list of fitness equipment and sites with these minutes.
- 17/42.4 **RESOLVED: Members noted the current financial position.**
- 17/42.5 **ACTION: Democratic Service to provide fitness equipment locations to be circulated with these minutes.**
- 17/43 Performance Report for 1st Quarter (April-June 2017)**
- 17/43.1 The paper sets out the performance achieved for 1st Quarter of 2017/18 covering the period 1 April 2017 to 30 June 2017.
- 17/43.2 KLOE 13: The DCFO, Mr Derek James, reminded Members that the Service has good governance arrangements in place, with positive relationships with Auditors. He added that the main issues are around the proposed reduction in Membership of the Authority and that the Chairman, the Clerk & Monitoring Officer, Mr Jonathan Mair and he are currently in contact with Home Office on the proposed changes.
- Cllr Nick Martin left the room.
- 17/43.3 KLOE 14: As Members noted earlier, Health & Safety (H&S) has good governance arrangements and policy in place with a H&S committee which monitors performance and to identify learning points. Members were pleased to hear from the Senior H&S advisor, Mr John Lincoln, that all District

Commanders were trained to BSI standard to help quality assure local delivery. He added that regulatory compliance is checked quarterly and accident and near miss reporting procedures and systems have been harmonised across the service. Mr Lincoln reported that there had been five RIDDOR (Reporting of Incidents, Diseases and Dangerous Occurrences Regulations (1995)) reports, but none were significant issues.

Cllr Nick Martin returned.

17/43.4 The Vice Chairman asked officers to explore if accident reporting could be contextualised with the total incidents attended.

17/43.5 KLOE 15: Phil Chow took Members through the general financial arrangements. Members were advised that the Medium Term Finance Plan was being prepared for the Policy and Resources (P&R) Committee meeting on 19/10/17.

Cllr Byron Quayle left the room.

17/43.6 KLOE 17 – 20: Director of Prevention and Protection, ACFO Mick Stead reported on behalf of the Director of People Services, Mrs Jenny Long. ACFO Stead added that within performance report there are four KLOEs which are interlinked. He took Members through the key points arising from the previous quarter. They include people development, diversity, recruitment and retention. The Service is focussing on smarter working to support remote working and training.

Cllr Byron Quayle returned.

17/43.7 The ACFO outlined the highlights in the report indicating that activities and projects remained largely on track.

17/43.8 The chairman noted that he would like to see more in the performance report about Member training.

17/43.9 **RESOLVED: Members approved the performance for 1st Quarter.**

17/43.10 **ACTION: Director of People Services to ensure Member training to be added to future performance reports.**

17/44 Strategic Risk Register

Cllr Pip Ridout left the meeting.

17/44.1 The Head of Strategic Planning and Knowledge Management, Mr Robert Ford outlined the intent of this report which was to provide Members with the latest position of the strategic risk register and associated controls. Members discussed the report and the progress made.

17/44.2 **RESOLVED: Members noted the progress being made with the risk controls on the strategic risk register.**

17/45 Date of Next Meeting

17/45.1 The chairman confirmed with Members the date of the next Finance, Governance and Audit meeting as 15 December 2017 at the DWFRS HQ, Five Rivers Health & Wellbeing Centre, Hulse Road, Salisbury, SP1 3NR.

Meeting closed: 1pm

Signed: _____