



**DORSET & WILTSHIRE
FIRE AND RESCUE
AUTHORITY**

**DRAFT Minutes of the
Finance, Governance and Audit Committee
held at 1100 hours on Friday 15 December 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 Richard Biggs; Cllr Ernie Clark; Cllr Peter Hutton; Cllr Colin Lovell; Cllr Byron Quayle; Cllr Pip Ridout; Cllr Robert Yuill

Officer attendance: Chief Fire Officer and Chief Executive, Ben Ansell; Phil Chow, Director of Finance and Treasurer; Clerk & Monitoring Officer to DWFR, Mr Jonathan Mair; Deputy Clerk & Deputy Monitoring Officer to DWFR, Ms Grace Evans; Deputy Chief Fire Officer Derek James, Director of Corporate Services; Assistant Chief Fire Officer Mick Stead, Director of Service Improvement; Assistant Chief Fire Officer John Aldridge, Director of Service Support; Assistant Chief Fire Officer Jim Mahoney, Director of Community Safety

Officers attending for agenda items: Head of Information Management and Communications, Mrs Vikki Shearing; Senior Health & Safety Advisor, Mr John Lincoln; Human Resources Delivery Manager, Carol Swan; Head of Strategic Planning and Knowledge Management, Mr Robert Ford; Head of Assets, Ian Thomas

Minutes: Mrs Marianne Taylor; Democratic Services Officer

Guests: Mr Robin Pritchard, Engagement Director, Gateway Assure; Mr Darren Gilbert, Director, KPMG

17/46 Welcome

17/46.1 The Chairman opened the meeting and welcomed attendees and guests.

17/47 Apologies

17/47.1 Apologies were received from Cllr Nick Martin; Cllr Malcolm Davies; Cllr Les Burden

- 17/48 Code of Conduct, Declarations of Interest and Notifications of Any Other Business**
- 17/48.1 The Chairman asked the meeting for any disclosures of pecuniary interests under the Localism Act. There were no disclosures.
- 17/49 Minutes of Finance, Governance and Audit committee meeting on 29 September 2017 and any matters arising**
- 17/49.1 The Chairman reviewed the minutes with Members.
- 17/49.2 Members requested an update of 17/37.1 from BSI 180001 to BSI 18001 for accuracy.
- 17/49.3 Members confirmed approval of the minutes, subject to the amendment noted in 17/49.2
- 17/49.4 **RESOLVED: that the minutes be approved, subject to the amendment detailed in 17/49.2, and signed by the Chairman as a correct record.**
- 17/49.5 **ACTION: Democratic Services to amend minutes as resolved in 17/49.2 above and provide printed copy for signing.**
- 17/50 Annual Audit Letter 2016/17**
- 17/50.1 Mr Darren Gilbert, Director, KPMG, took Members through the Annual Audit Letter 2016/17, and confirmed that an unqualified conclusion on the Authority's arrangements to secure value for money had been provided, meaning that KPMG are satisfied that during the year the Authority had appropriate arrangements for securing economy, efficiency and effectiveness in the use of its resources.
- 17/50.2 Mr Gilbert confirmed that the Annual Audit Letter summarised the outcomes from the external auditor's work in relation to the 2016/17 audit year. Although it was addressed to Members of the Authority, it also communicates the key messages to key external stakeholders, including members of the public.
- 17/50.3 Members were asked to note the Annual Audit Letter 2016/17.
- 17/50.4 **RESOLVED: Members noted the Annual Audit Letter (Appendix A).**
- 17/51 External Audit Plan 2017-18**
- 17/51.1 Mr Darren Gilbert, Director, KPMG, confirmed to Members that KPMG LLP are the External Auditor, appointed by Public Sector Audit Appointments Ltd (PSAA) and are mandated through statute to complete an audit of the Authority. Mr Gilbert took Members through KPMG's External Audit Plan for

2017-18, highlighting the two key objectives required by the audit, Financial Statements and Use of Resources.

17/51.2 Mr Gilbert advised of the required changes to financial reporting, noting the necessity to provide and publish the draft report by 31 March each year, and the final report by 31 July. He provided confirmation that time had been spent working with the Service's finance team to achieve these new requirements.

17/51.3 Members endorsed the suggestion for the Director of Finance and his team to be congratulated on achieving good progress in relation to the changes to the reporting regime imposed from 2018.

17/51.4 **RESOLVED: Members noted the External Audit Plan for 2017-18.**

17/52 Internal Audit Quarterly Report (October – December)

This item was taken after 17/53 below.

17/52.1 Mr Robin Pritchard, Engagement Director, Gateway Assure, introduced the report and advised Members that, during quarter three, two internal audits had been undertaken covering the areas of Business Case Management and Strategic Planning.

17/52.2 Mr Pritchard confirmed that both audits had received a substantial level of assurance with no fundamental risks arising from them and that management responses had been agreed to address the minor issues raised within the report.

17/52.3 **RESOLVED: Members approved the management responses.**

17/53 Progress Against Audit Recommendations

Taken before item 17/52.

17/53.1 The Head of Strategic Planning and Knowledge Management, Mr Robert Ford took Members through the report which updated them on the progress of work against the improvement activities identified by the internal auditors, Gateway Assure.

Mr Robin Pritchard arrived.

17/53.2 Mr Ford reminded Members that once they had seen completed actions in this report then they would 'fall off' the report and, where necessary, others would be added as they arose through the quarterly audits.

17/53.3 Mr Ford took Members through the progress of the internal audit improvement activities, with no significant issues arising.

17/53.4 **RESOLVED: Members reviewed and approved the progress made towards completing the agreed improvement activities.**

17/54 Future Governance Arrangements

17/54.1 The Chairman reminded the meeting that a reduction in the size of the Authority had already been agreed and was not for further discussion. He confirmed that the Future Governance Arrangements report was about the consequential impact on the Authority and its governance arrangements going forward.

17/54.2 The Clerk & Monitoring Officer, Mr Jonathan Mair, presented the paper and reminded Members of the decision made at the Authority meeting on the 8 September 2017, for a formal request be made to the Home Secretary for a variation to the Dorset & Wiltshire Fire and Rescue Authority (Combination Scheme) Order 2015 to reduce the membership of the Authority from 30 to 18.

17/54.3 Mr Mair provided an update on the current position of the request to amend the Combination Order, noting that the Home Office had prepared a Single Variation Order covering the changes to the membership of this Authority along with changes to the Hampshire and West Midlands Fire & Rescue Authorities. He confirmed that the Order had been signed by the Minister and laid in Parliament and was available on the legislation.gov.uk website.

17/54.4 Mr Mair highlighted that the Home Office had been particularly helpful in achieving a variation order within a very short timescale and wished to record particular thanks to Mr Stephen Polly, the civil servant at the Home Office who had led on the combination order variation work. Members agreed that Mr Mair should draft a formal letter of thanks which the Chairman would be invited to send on behalf of the Authority.

17/54.5 Mr Mair took Members through the proposed changes to the future governance arrangements noted within the report.

17/54.6 Members discussed the contents of the report and confirmed their support to recommend the changes at the Authority meeting on the 9 February 2018.

17/54.7 **RESOLVED: Members agreed to recommend the proposed governance arrangements to the Authority on 9 February 2018, for final approval.**

17/54.8 **RESOLVED: Members agreed to recommend the revised Standing Orders; Financial Regulations; and Scheme of Delegation to Officers to the Authority on 9 February 2018, for final approval.**

17/54.9 **RESOLVED: Members agreed to recommend that, after 12 months of operation, an Independent Remuneration Panel is convened to review Member allowances.**

- 17/54.10 **RESOLVED: Members agreed to recommend that revisions to the Authority's governance arrangements are subject to review after 12 months of operation.**
- 17/55 Performance report for 2nd Quarter (July - September 2017)**
- 17/55.1 The Head of Strategic Planning and Knowledge Management, Mr Robert Ford, introduced the paper which set out the performance achieved for the 2nd Quarter of 2017/18 covering the period 1 July 2017 to 30 September 2017.
- 17/55.2 Mr Ford reminded Members that the Service's performance is reviewed around the five strategic priorities set out in the Community Safety Plan, and confirmed that the Finance, Governance & Audit Committee were responsible for overseeing the performance against Priorities 4 and 5 - *Making Every Penny Count and Supporting and Developing our People*.
- 17/55.3 Mr Ford outlined the four Key Lines of Enquiry (KLOE) relating to Priority 4 and Priority 5 and talked Members through the baseline assessment and evidence collected to support the assessment level awarded.
- 17/55.4 Mr Ford advised Members that key Officers were in attendance to answer any specific questions.
- 17/55.5 Senior Health & Safety Advisor, Mr John Lincoln, advised Members that a new incident reporting procedure and system was in place and working well and confirmed the Services approach to RIDDOR incidents (Reporting of Incidents, Diseases and Dangerous Occurrences Regulations (1995)).
- 17/55.6 Assistant Chief Fire Officer, John Aldridge, advised Members that staffing levels had improved within the Assets Department with most posts now being filled. He noted that whilst the surveyor posts were outstanding the Service was engaging with a consultant on an 'as required' basis.
- 17/55.7 ACFO Aldridge noted the progress of the ICT Department's five-year plan and roadmap, highlighting that 11 of the 24 systems were successfully migrated.
- 17/55.8 Assistant Chief Fire Officer, Mick Stead, confirmed that strategic workforce plans had been strengthened, with alignment to finances. He advised that the Service has been running a 'positive action' programme and that internal talent management was being reviewed to ensure good succession plans were in place.
- 17/55.9 ACFO Mick Stead advised that there was a significant focus on e-learning to create more efficient staff development opportunities to remote sites, with smarter working through Office 365. He highlighted that the RESPECT framework was also being reviewed to be aligned to the Chief Fire Officers' Association (CFOA) and Police frameworks and that personal reviews had been favourably received and will be reviewed in the coming months.

- 17/55.10 ACFO Stead went on to brief Members on health and welfare including the health and fitness of firefighters following the one-year fitness amnesty. Members requested an updated list of fitness equipment and facilities.
- 17/55.11 ACFO Stead reported on the work undertaken by SLT to further engage with staff, noting the completion of workplace visits and attendance at the leadership forum. He also noted that another 'eyes & ears' staff survey would be completed in February 2018.
- 17/55.12 **RESOLVED: Members approved the performance for the 2nd Quarter and the baseline assessment for 2017-18.**
- 17/55.13 **ACTION: Director of People Services to circulate an up-to-date list of fire stations with fitness equipment to Members.**
- 17/56 2nd Quarter Financial Performance Report 2017-18**
- 17/56.1 The Director of Finance and Treasurer, Mr Phil Chow, introduced this report which provided an analysis of the financial position for the 2nd quarter of 2017-18 and reflected spending to 31 October 2017.
- 17/56.2 Mr Chow took Members through the report noting that Section 2 of the report dealt with the revenue budget which noted a potential underspend of £1.22m, Section 3 provided an update on reserves and balances; whilst Section 4 provided an update on the capital programme.
- 17/56.3 **RESOLVED: Members noted the current financial position.**
- 17/57 Strategic risk register**
- 17/57.1 The Head of Strategic Planning and Knowledge Management, Mr Robert Ford, introduced the report advising Members that it provided them with the latest position of the strategic risk register and associated controls.
- 17/57.2 Assistant Chief Fire Officer, John Aldridge, provided background on the On-call Firefighter Review noting how this will focus on recruitment, retention and fitness and advised of the programme of work regarding the salary system. The Chairman advised Members of the discussions taken place at the Wiltshire Local Performance and Scrutiny (LPS) Committee and his intention to monitor the progress of this review.
- Cllr Clark left the meeting.
- 17/57.3 The Deputy Chief Fire Officer, Derek James, provided a further update on progress of a 'one team approach' advising that there was a comprehensive delivery plan in place, with staff supporting the Service's approach as shown in the Eyes and Ears survey outcomes, which were presented to the June 2017 Authority meeting. DCFO James added that the smarter working

programme was on track with Office 365 as well as the new staff intranet and ongoing rationalisation of the Poundbury site.

17/57.4 Mr Ford provided assurance of good progress being made against the strategic risk register, noting that there were no significant issues to raise. He confirmed the next scheduled review of the strategic risk register would be on 8 March 2018.

17/57.5 **RESOLVED: Members noted the progress being made with the risk controls on the strategic risk register.**

17/58 Scrutinising of the Safety Centre project

17/58.1 The Chairman advised the meeting that the scrutinising of the Safety Centre project was requested to be considered by the Authority at its meeting on 5 December. The Chairman indicated that he was personally comfortable that expenditure was appropriately controlled and properly authorised during the project. He asked Members of the Finance, Governance & Audit Committee if they thought it necessary to form a Safety Centre Scrutiny Group. Members were content that the current Safety Centre working group would continue, with an options paper being presented at the February 2018 Authority meeting.

17/58.2 **RESOLVED: Members agreed not to instigate a separate process of project scrutiny as Members had been engaged through the project working group.**

17/58.3 **ACTION: Democratic Services Officer to agenda Safety Centre options paper to the 9 February 2017 Authority meeting.**

17/59 Date of Next Meeting

17/59.1 The Chairman confirmed with Members the date of the next Finance, Governance & Audit meeting as 8 March 2018 at 10am.

Meeting closed: 12:35

Signed: _____