



**DRAFT Minutes of the
Finance & Governance Committee
held at 10:00 hours on Tuesday 31 July 2018 at the
Dorset & Wiltshire Fire and Rescue Service Headquarters, Salisbury**

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

Members present: Cllr Bob Jones (Chairman), Cllr Byron Quayle (Vice Chairman), Cllr Nick Martin (part), Cllr Peter Hutton, Cllr Ann Stribley, Cllr Pip Ridout, Cllr Richard Biggs.

Officer attendance: Director of Finance and Treasurer, Mr Phil Chow; Clerk & Monitoring Officer, Mr Jonathan Mair; CFO Ben Ansell; Director of Service Improvement, ACFO Mick Stead; Director of Service Support, ACFO John Aldridge; Director of People Services, Ms Jenny Long; Head of Financial Services, Mr Ian Cotter; Head of Strategic Planning and Knowledge Management, Mr Robert Ford; Head of Democratic Services and Corporate Assurance, Mrs Jill McCrae; Head of Information Management and Communications, Mrs Vikki Shearing; Head of Assets, Mr Ian Thomas; Senior Health & Safety Advisor, Mr John Lincoln.

Guests: Director KPMG, Mr Rees Batley; and Engagement Director Gateway Assure, Mr Robin Pritchard.

Observer: HMICFRS Liaison Officer, Mr Chris Baker.

18/15 Welcome

18/15.1 The Chairman opened the meeting and welcomed attendees including, Mr Rees Batley and Mr Chris Baker to their first meeting.

18/16 Apologies

18/16.1 Apologies were received from Cllr Malcolm Davies; Deputy Clerk & Monitoring Officer, Ms Grace Evans; DCFO Derek James; and Director of Community Safety, ACFO Jim Mahoney.

- 18/17 Code of Conduct, Declarations of Interest and Notifications of Any Other Business**
- 18/17.1 The Chairman asked the meeting for any disclosures of pecuniary interests under the Localism Act. One disclosure of interest was recorded for Cllr Richard Biggs under item 18/27 and Risk 218.
- 18/18 Minutes of the Dorset & Wiltshire Fire and Rescue Authority meeting on 8 March 2018**
- 18/18.1 The Chairman asked Members to review and approve the minutes from the last meeting.
- 18/18.2 **RESOLVED: that the minutes be confirmed, without amendment, and signed by the Chairman as a correct record.**
- 18/19 Annual External Audit (ISA 260)**
- 18/19.1 Director KPMG, Mr Rees Batley, introduced the report which provided Members with a summary of the key audit findings from the external audit of the Dorset & Wiltshire Fire and Rescue Authority 2017/18 financial statements.
- 18/19.2 Mr Batley confirmed with Members that there was an updated version of the ISA260 report which all Members had received prior to the meeting.
- 18/19.3 Mr Batley took Members to Appendix B, the draft Management Representation Letter, which was agreed and signed before KPMG issued its audit opinion.
- 18/19.4 Mr Batley praised the timeliness and efficiency of the finance team over the entire 'faster close' period, which the Chairman endorsed. Mr Batley added that KPMG had issued a clean and unqualified opinion.
- 18/19.5 Members discussed the report and noted the unadjusted audit differences highlighted by Mr Batley. Members also discussed the audit risk areas and the follow up of previous audit recommendations. Members were content with all responses.
- 18/19.6 **RESOLVED: Members noted the audit findings and the recommendations as set out in the report.**
- 18/19.7 **ACTION: Director of Finance to extend the praise of the Committee and Mr Batley to the Finance team for their hard work in meeting the 'faster close' deadline this year.**
- 18/20 Statement of Accounts, Annual Governance Statement and Outturn Financial Performance 2017-18**
- 18/20.1 The Head of Financial Services, Mr Ian Cotter, introduced the Statement of Accounts, the Annual Governance Statement and the Outturn Financial Performance for 2017-18.

- 18/20.2 Mr Cotter advised Members that the Authority's draft Statement of Accounts for 2017-18 at appendix A had been produced and externally audited by KPMG LLP successfully to a tighter timescale than required in previous years. Members noted that the Auditor's report was elsewhere on the agenda with an 'unqualified' opinion.
- 18/20.3 The Chairman drew Members' attention to page 20 of the draft Statement of Accounts, part of the Narrative Report, advising Members that a change had been advised in relation to fire deaths, and asked the Chief Fire Officer (CFO) to advise Members on the detail.
- 18/20.4 CFO Ansell responded that, although sadly, ten deaths had occurred in fire related incidents during the year, HM Coroner had, to date, only pronounced on five of the ten deaths recorded on page 20 of the report. He added that the report had been amended to show the confirmed fire related deaths as five.
- 18/20.5 Members went on to discuss a number of earmarked reserves, pension funds and funding arrangements relating to them.
- 18/20.6 Mr Cotter took Members through the main financial statements, covering the Expenditure and Funding Analysis, Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and Cashflow Statement, and explained the headline figures.
- 18/20.7 The Monitoring Officer, Mr Jonathan Mair, reminded Members of the importance of understanding finances in relation to their Authority responsibilities adding that their view at the relevant meeting was that, whilst training and development was important, Members did not feel it should be mandatory.
- 18/20.8 Members discussed the importance of regular and continuing professional development and asked that the decision made on the 6 June be reviewed and brought to the attention of the Chairman of the Authority for further discussion.
- 18/20.9 Mr Cotter drew Members attention to the report and commented on appendices B, C & D. He informed Members that the final outturn for the year had improved since the 3rd Quarter mainly as a result of pay award savings, the release of provisions and additional grant income.
- 18/20.10 Mr Cotter then took Members through Appendix D to the paper which showed a breakdown of all reserves and balances currently held. The Chairman asked CFO Ansell to comment on earmarked funds. CFO Ansell advised these were highlighted as funds available for specific purposes agreed by the Authority.
- Cllr Nick Martin arrived (10:50hrs)
- 18/20.11 CFO Ansell further advised that there were pressures on balances and reserves, and general balances could be significantly depleted within

two years, if the funding position remained as expected and further savings could not be made. He also added that whilst partners had received additional Government funding in relation to the Salisbury incident, the costs incurred by the Service would have to be met from existing resources.

- 18/20.12 Members discussed reserves in more detail, including the youth intervention reserve of £100k. Director of Service Improvement, ACFO Stead, advised Members that this sum had been set aside in 2016-17 and plans were in place for its use. The Chairman added that the Authority considered the levels of reserves currently held were appropriate, but not excessive, for the Authority.
- 18/20.13 CFO Ansell advised that the Ministry of Housing Communities and Local Government (MHCLG) had recently issued a technical consultation document in relation to the local government finance settlement for 2019-20. Amongst other issues, the consultation referred to proposals for a 3% precept increase for 2019-20, in line with the Medium Term Finance Plan projections. CFO Ansell also highlighted that proposals for Police and Crime Commissioners allowed for a further £12 increase in police precept.
- 18/20.14 In response to a Member's question about any proposals for significant changes to Service provision, CFO Ansell advised that any significant changes to Service provision would be referred to the Authority, where appropriate, in line with the Scheme of Delegation.
- 18/20.15 Mr Cotter advised that the outturn financial performance 2017-18 provided an analysis of the outturn financial performance for the year, a summary of which was also included within the accounts.
- 18/20.16 Mr Cotter concluded by commenting on the final capital budget position, advising Members that a number of significant projects would not be completed until the new financial year, and the report recommended the carry forward of £3.296m in funding for this purpose.
- 18/20.17 **RESOLVED: Members approved the 2017-18 Statement of Accounts.**
- 18/20.18 **RESOLVED: Members Approved the 2017-18 Annual Governance Statement.**
- 18/20.19 **RESOLVED: Members approved the carry forward of £3.296m for capital projects not completed in 2017-18.**
- 18/20.20 **ACTION: Director of Finance to amend the report to show five fire related deaths.**
- 18/20.21 **ACTION: Chairman of this committee to discuss with the Chairman of the Authority the potential to review Continual Professional Development for Members.**

18/21 Internal Audit Annual Report 2017-18

- 18/21.1 Engagement Director Gateway Assure, Mr Robin Pritchard introduced the report advising Members that it provided them with a summary of the work for internal audit during 2017-18. He highlighted that the Internal Audit's annual opinion for 2017-18 was that DWFRS has adequate and effective risk management, governance, and control processes.
- 18/21.2 Members noted that this report was a key control measure associated with mitigating risk and the basis upon which the opinion has been reached, detailed within Appendix A.
- 18/21.3 **RESOLVED: Members considered and noted the findings of the Internal Audit Annual Report 2017-18.**

18/22 Internal Audit Quarterly Report Q1

- 18/22.1 Engagement Director Gateway Assure, Mr Robin Pritchard presented the report for the first quarter of 2018-19 adding that five internal audits had been carried out. These included ICT Migration and Information Management Systems - Fleet Management; On-call Systems; Information Management – GDPR; Resilience; and Procedural Alignment.
- 18/22.2 Mr Pritchard advised Members that all five audits had been returned with substantial assurance.
- 18/22.3 Fleet Management
Director of Service Support, ACFO John Aldridge, accepted the recommendations made for enhanced project planning and improvement adding that Tranman would be completed by 31 December 2018. Members discussed project planning and implementation and accepted assurances provided to them by CFO Ansell. Members agreed that under the circumstances good project management had taken place.
- 18/22.4 GDPR
Mr Pritchard noted that the Service was in a good position in relation to the General Data Protection Regulation (GDPR) as it had achieved a gap analysis and was managing progress against the 12 steps provided within regulatory guidance in May 2018.
- 18/22.5 Resilience
Mr Pritchard provided Members with assurance that good resilience arrangements were in place. CFO Ansell provided background information relating to a recent Service experience of significant events and the effectiveness of the command structures. He added that all strategic commanders had also been enrolled on the Level 7 Strategic Incident Command qualification to further enhance the assurance of our strategic command structure.

- 18/22.6 Members discussed the report and added that multi-agency working observed for the recent events was impressive and the enhancement of Strategic Commanders qualifications would support that.
- 18/22.7 Procedural alignment
Since combination the Service had carried out procedural alignment and Mr Pritchard advised Members that this was a well-managed and controlled process and had put the Authority in a good position.
- 18/22.8 CFO Ansell thanked Mr Pritchard and the work of all staff who have been responsible for working towards this alignment and for achieving this positive result.
- 18/22.9 **RESOLVED: Members considered and approved the management responses.**
- 18/22.10 **ACTION: Director of Service Support to provide timelines for all current and future projects and to report any slippage in each case.**
- 18/23 Internal Audit Progress Report**
- 18/23.1 Head of Democratic Services and Corporate Assurance, Mrs Jill McCrae, introduced the report which provided Members with an update on the progress of work against the recommendations made by Internal Audit, Gateway Assure.
- 18/23.2 Members reviewed the progress report and were satisfied with the progress of the activities.
- 18/23.3 Members reviewed the progress report and agreed all completed items could be removed from the report.
- 18/23.4 **RESOLVED: Members approved the progress made towards completing the agreed improvement activities.**
- 18/24 Performance for 4th Quarter – 1 January 2018 to 31 March 2018**
- 18/24.1 The Head of Strategic Planning and Knowledge Management, Mr Robert Ford presented the report advising Members that it set out the performance achieved for 4th Quarter of 2017-18 covering the period 1 January 2018 to 31 March 2018.
- 18/24.2 Mr Ford added that the use of Key Lines of Enquiry (KLOE) was an innovative approach to reporting performance. He advised Members that the approach provided a structured means for Members to receive performance information within a wider context.
- 18/24.3 Mr Ford further advised that there were no new significant issues to raise with Members and that good progress was being made

Priority 4

KLOE 13

18/24.4 Director of Service Improvement, ACFO Mick Stead, advised Members that sound governance structures were in place and risks were reported by exception at agreed levels. Strategic planning continued to form part of managers development so that they understand the role they and their teams play.

18/24.5 The Head of Information Management and Communication, Mrs Vikki Shearing, confirmed to Members the number of freedom of information requests and complaints received. Members discussed the complaints and were assured of their number and that appropriate responses had been sent.

KLOE 14

18/24.6 The Senior Health & Safety Advisor, Mr John Lincoln, advised Members that there was a 50% decrease in number of manual handling reports and only 19 reports under RIDOR (Reporting of Incidents, Diseases and Dangerous Occurrences Regulations (1995)). He confirmed that near miss reporting had increased, which in turn improved learning opportunities.

18/24.7 Members noted the number of days lost due to sickness. The Director of People Services, Ms Jenny Long, provided assurance of internal measures taken within sickness management.

KLOE 15

18/24.8 The Director of Finance and Treasurer, Mr Phil Chow reminded Members about the focus of this meeting as the final meeting for signing off accounts for previous years and all reporting that takes place to this Committee.

18/24.9 Members discussed procurement and asked for confirmation of the Service's approach to collaborative procurement. CFO Ansell reminded Members of the initiative for the procurement of Mobile Data Terminals (MDT) that had been led by the Service and the associated financial savings across the collaborative partnership and with other fire and rescue services, which had resulted in significant savings for all those involved.

KLOE 16

18/24.10 The Director of Service Support, ACFO John Aldridge, provided an update on the alignment of information systems across the Service, adding that significant progress had been made in relation to the COSHH (Control of Substances Hazardous to Health) Health & Safety system and that Gartan was on track; with supplies experiencing a slight delay as officers had been heavily involved in the recent Salisbury incidents. ACFO Aldridge confirmed there was now a full complement of managers within the Assets team.

18/24.11 Members were interested in the training programme and Mr Ford provided information relating to 'Wallchart' which was an ongoing training planning tool. Ms Long added that there was a current pause on this and information about this would be returned to this meeting in due course.

Priority 5

KLOE 17

18/24.12 Director of People Services, Ms Jenny Long confirmed to Members there had been an increase in the number of female applicants following the recent wholetime recruitment process and the *#BeOneOfUs* campaign. Ms Long added that the Service was also reviewing promotion procedures including highlighting apprenticeship opportunities.

18/24.13 Members discussed firefighter apprenticeships and Ms Long advised that there was no known training provider that she was aware of, who could provide on-going apprentice firefighter training. Ms Long further advised that the National Fire Chiefs Council (NFCC) were discussing the matter. Ms Long added that there were however, a number of corporate apprentices in place.

KLOE 18

18/24.14 Ms Long advised Members there was continuous improvements within e-learning which included modules about mental health awareness, smarter working initiatives and the Service was reviewing development pathways. Members considered that e-learning may be a viable option for Member development. The Chair of the Committee and Ms Long would discuss this option further outside of the meeting.

KLOE 19

18/24.15 Ms Long advised Members that the supervisory leadership programmes being developed is multi- agency based and that they would include input on key issues such as absence management and unconscious bias.

18/24.16 Ms Long provided information relating to occupational health provision and fitness levels. Members discussed the increased sickness levels and looked for assurance that this was being prioritised. Ms Long confirmed that she is reviewing other frameworks available, such as Oscar Kilo used by the police, for future management.

18/24.17 Members enquired about mitigating against potential health and wellbeing risk. CFO Ansell responded adding that firefighting was a high-risk business and all opportunities to mitigate the risks involved were taken. He confirmed that learning takes place and was cascaded both internally and externally.

KLOE 20

18/24.18 Ms Long advised Members that the Service was continuing to engage and involve staff with smarter working and that we were continuing to increase the topics available in our e-learning catalogue

18/24.19 **RESOLVED: Members approved the performance for the 4th Quarter.**

18/24.20 **ACTION: The Director of People Services to arrange a meeting for the Chairman of this Committee and herself to discuss e-learning options for Members' development.**

**18/25 Local Performance & Scrutiny Committee Performance Reporting:
Member Working Group Terms of Reference**

18/25.1 The Director of Service Improvement, ACFO Mick Stead, introduced the report and reminded Members of their Seminar, which followed the 6 June 2018 Authority meeting, and the discussion about officers developing their future approach to performance management and the subsequent need for a Members' working group.

18/25.2 ACFO Stead advised Members that the report set out the terms of reference for the Local Performance & Scrutiny (LPS) working group.

18/25.3 The Chairman suggested that the LPS working group (WG) Terms of Reference (ToR) should be reviewed after the next round of LPS Committee meetings in August/September 2018, adding that the suggested monthly meetings may be too frequent for Members.

18/25.4 The chairmanship of the working group was discussed and would be discussed further with the director of Community Safety, ACFO Jim Mahoney, during the first meeting of the working group.

18/25.5 **RESOLVED: Members approved the working group Terms of Reference as attached at Appendix A of the report, subject to changes in 18/25.4.**

18/25.7 **ACTION: The Democratic Services Officer to amend the Terms of Reference to include the Chairman of the working group after the decision at the initial LPS working group meeting.**

18/25.8 **ACTION: LPS Committees to elect their nominated representative for the working group at their meetings in August/September.**

18/26 Staff Engagement Survey 2018

18/26.1 The Head of Information Management and Communications, Mrs Vikki Shearing, introduced the report advising Members that the Service conducted its second staff engagement survey earlier in 2018 to enable comparisons against the previous year. She added that it indicated a very positive direction, reflecting the improvements made since the previous survey in 2017.

18/26.2 Mrs Shearing advised Members that officers have established a clear programme for communicating these results and have engaged staff in delivering improvement actions. Mrs Shearing further advised that actions were monitored through the Service's performance management arrangements.

18/26.3 The Chairman noted the response rate to the survey of 60% as excellent, particularly comparing to the previous year's response of 42%.

18/26.4 **RESOLVED: Members noted the key findings of the staff engagement survey conducted in February 2018**

18/27 Strategic Risk Register

- 18/27.1 Head of Democratic Services and Corporate Assurance, Mrs Jill McCrae, introduced the report advising that the strategic risks of the Authority had been fully reviewed and updated following the Authority's approval of the new Community Safety Plan, which was approved at their 6 June 2018 meeting. .
- 18/27.2 Mrs McCrae further advised that in completing this work, the planned risk controls for each of the strategic risks had been aligned to the tasks and Key Lines of Enquiry (KLOE) set within the Service Delivery Plan, which was the Service's mechanism for delivering the Community Safety Plan
- 18/27.3 Mrs McCrae took Members through each of the strategic risks and recommended that risk 001, on page 4, to be removed from the strategic risk register, due to the progress of the mitigations and further managed within the Service at Directorate level.
- 18/27.4 Mrs McCrae recommended to Members, to reduce duplication of information provided within the performance reports, that a revised version of the strategic risk register, detailed in Appendix B, be used moving forward. Members provided their approval.
- 18/27.5 Following his declaration of interest, the Chairman asked Cllr Richard Biggs to leave the meeting for risk no 218
- 18/27.6 Risk 218 was discussed. CFO Ansell and ACFO Aldridge provided background to this risk outlining the nature of the site and our footprint there, along with the training facilities. As part of the changing practice within the Ministry of Defence (MoD) a rental figure has now been proposed which was currently being negotiated.
- 18/27.6 Members were assured that a review of the Service's training arrangements would be completed in the near future. The Clerk & Monitoring Officer, Mr Mair, confirmed that the CFO has delegated authority for this action.
- 18/27.8 **RESOLVED: Members reviewed and agreed the current strategic risks and mitigation actions set out in Appendix A.**
- 18/27.9 **RESOLVED: Members approved the revised strategic risk register as set out in Appendix B.**
- 18/27.10 **RESOLVED: Members approve the reduction of risk 001 and its removal from the strategic risk register.**
- 18/27.11 **RESOLVED: Members approved risk 218 as a new strategic risk.**
- 18/27.12 **ACTION: Head of Democratic Services & Corporate Assurance to amend the strategic risk register in line with approvals in 18/27.9 to 18/27.11 above.**

18/27.13 **Cllr Richard Biggs returned to the meeting.**

18/28 MDT Video

18/28.1 Head of Information Management and Communications, Mrs Vikki Shearing, introduced the video about Mobile Data Terminals (MDT) and CFO Ansell provided commentary on MDT effectiveness.

18/29 Date of Next Meeting

18/29.1 The Chairman confirmed the date of the next Finance & Governance meeting as Thursday 20 September 2018 at Dorset & Wiltshire Fire and Rescue Service Headquarters, Five Rivers Health and Wellbeing Centre, Hulse Rd, Salisbury SP1 3NR, from 10am.

Meeting ended 13:00hrs.

Signed: _____