

**MINUTES OF AUDIT AND STANDARDS COMMITTEE
MEETING HELD ON 17 OCTOBER 2023**

Present: Councillors A Ali (Chair), M Hussain and S Owen
ACO G Chambers, Mr G Britten, DACFO J Tai and Ms N Upton
Ms D Hanson, Ernst & Young (via MS Teams)
Ms S Rowlett, RSM

23-24/ASC/16 Apologies

Apologies were received from Councillors Coombes, Gurney, Versallion and Wenham.

23-24/ASC/17 Declarations of Disclosable Pecuniary and Other Interests

There were no declarations of interest.

23-24/ASC/18 Communications

The Committee received the following RSM communications for information:

a. RSM's Emergency Services News Briefing (May 2023)

Mrs S Rowlett of RSM highlighted the sections relevant to the fire sector as being updates on tools developed to support the Community Risk Management Plan process, changes in requirements for employee checks, the introduction of two new Fire Standards and a further delay to the implementation of the Emergency Services Network to replace Airwave.

It was noted that there was a separate item on the agenda relating to the Fire Standards and that this would be discussed later on in the meeting.

In response to a question on what the significance was of the implementation of Fire Standards, particularly those arising from the tragedies at Grenfell Tower and Manchester Arena bombing, and how these affected the Inspectorate's judgement of the Service's operational performance, the Assistant Chief Officer advised that a full written response would be provided to all Members of the Committee.

The Deputy Assistant Chief Fire Officer, Jason Tai, confirmed that the Service had dedicated action plans in place relating to the recommendations arising from the Hackett Report on Grenfell Tower and from those arising from the Manchester Arena bombing, specifically those relating to communication with other emergency services and responding to marauding terrorist attacks. He volunteered to provide further detail on these action plans to any Members who were interested outside of the meeting.

Councillor Hussain expressed concern about the new high-rise building in Luton as, at 22 stories, it was the first of its height in the county.

The Deputy Assistant Chief Fire Officer advised that the Service was aware of the development and had revised its predetermined attendance standard for high-rise buildings to increase the level of response provided to an incident reported at the location. The Service had purchased a number of items from the additional funding received following the Grenfell Tower tragedy to implement the action plan. This included smoke hoods being available for members of the public in the all the Service's appliances, as well as improvements in radio communication equipment and breathing apparatus sets, and the purchase of firefighting branches which enabled firefighters to fire fight from lower floors. In addition to revised policies and procedures, the Station Commander for Luton Fire Station was liaising with the developers of the building and crews had visited the premises.

In response to a question from the Chair seeking assurances that evidence based risk assessments had been embedded, the Assistant Chief Officer provided an update on the national guidance that had been applied in the development of the Community Risk Management Plan 2023-2027. There were also two in draft relating to vehicle collisions and other building fires.

b. RSM's Emerging Risk Radar (July 2023)

Mrs Rowlett advised that this briefing looked at risks across the sectors and could be used to inform the Service's risk management, gap analysis and horizon scanning work.

c. RSM's Emergency Services News Briefing (August 2023)

Mrs Rowlett reported that the key update for fire and rescue services contained within this communication was the development by the National Fire Chiefs Council of a culture action plan. It was important for Members to consider how they were addressing this in their own Service.

In response to a request from the Chair for an update, the Assistant Chief Officer referred to an update provided by the Assistant Chief Fire Officer that detailed the results of the gap analysis and actions being taken to address this and improve the culture in the organisation.

Actions taken to date included the provision of cultural awareness training to all staff, the introduction of a new anonymous reporting line, the appointment of a professional standards investigator and the review of previous grievance and dismissal cases. Members would be provided with the detailed update for information.

d. RSM's Focus on Fraud (September 2023)

Mrs Rowlett advised that this was also an all sector update as fraud was a risk to all organisations.

23-24/ASC/19 Minutes

Councillor Owen referred to a comment he had made at the previous meeting regarding the potential need for additional meetings if the workload of the Committee appeared to be too onerous for the number of meetings currently scheduled.

The Assistant Chief Officer suggested that Members could discuss this in greater detail under the Work Programme item later in the agenda.

The Chair advised that he was seeking to introduce pre-meetings in advance of the Committee's meetings and that Members would be able to ask questions and raise concerns in this forum, which may reduce the length of the formal Committee meetings.

RESOLVED:

That the Minutes of the meeting held on 6 July 2023 be confirmed as a true record.

23-24/ASC/20 Public Participation

There were no members of the public present at the meeting.

23-24/ASC/21 Annual Report

Debbie Hanson presented the Annual Report from Ernst & Young, the Fire and Rescue Authority's external auditor.

EY had awarded the Authority an unqualified audit opinion as at 8 August 2023 for the 2021/22 accounts. These could not be fully closed as the National Audit Office had not yet decided which organisations under the threshold, of which the Service was one, would be selected for sampling.

No significant issues had been identified as a result of the value for money assessment or in terms of any further risks; however, it was noted that the next few years would be challenging for local government sector organisations.

In response to a question from Councillor Owen on how the opinion awarded compared to those issued for previous years, both Ms Hanson and the Assistant Chief Officer confirmed that the Authority had received an unqualified opinion for the previous year's accounts.

In response to the Chair's request for an update on the audit fees, Ms Hanson advised that she had not yet shared this information with the Assistant Chief Officer; however, the fees would be submitted to PSAA to determine in the usual way.

The Committee recognised the efforts of the Assistant Chief Officer and his team in achieving an unqualified audit opinion.

Ms Hanson was also unable to provide a timescale for the audit of the 2022/23 accounts, although she reported that EY was seeking to conclude all value for money assessments by the end of December 2023 and was seeking further guidance from the Minister on a more sustainable way forward for the audit sector and in relation to "backstop" dates so that assurance could be provided in a more timely manner.

Following a question from Councillor Hussain, Ms Hanson confirmed that the going concern assessment had been undertaken in August 2023 and looked forward for a period of 12 months, so to August 2024. However, this was based on the statements in 2021/22, and the level of reserves that were held at that time, and this could change in future years, although the Authority's retention of its reserves, particularly the Transformational Earmarked Reserves, put the Authority in a more positive position than other local government bodies who were currently facing significant financial pressure.

The Assistant Chief Officer advised that the contract with EY was coming to an end, and therefore it was likely that there would be some crossover between EY's audit closure of the 2022/23 accounts and planning meetings with the new external auditors, KPMG, for the 2023/24 audit.

RESOLVED:

That the submitted Annual Report for the year ended 31 March 2022, and the unqualified audit opinion awarded by the external auditors, be welcomed.

23-24/ASC/22 Internal Audit Progress Report

Ms S Rowlett, RSM, presented a report on progress made against the internal audit plan for 2023/24.

One audit had been completed, one was in the draft stage and another in progress. The Key Financial Controls audit had been deferred following the departure of the Chief Accountant.

The audit opinion for the governance of the Programme Management Office was substantial assurance, which was the highest opinion that could be awarded. RSM had concluded that the organisation had well-established and applied processes for project management and this was supported by the documentation for each of the five projects sampled at the time of the audit. The process for reporting to the Programme Boards and the Corporate Portfolio Board had been recorded with clear roles and responsibilities being included within the Terms of Reference documents.

In response to a request for clarification on the role of the Corporate Portfolio Board, the Assistant Chief Officer reported that this was the Corporate Programme Board, which met quarterly under the auspices of the Service's Corporate Management Team to receive updates from the Lead Programme Manager on all live projects.

The Authority received project update reports twice a year and this report would detail progress made. Whilst there were minutes of the Programme Board meetings, the Assistant Chief Officer expressed the view that the report should provide a sufficient level of detail for Members.

In response to a query from Mrs Rowlett on the updated layout of the report, the Members present expressed satisfaction with the changes made.

RESOLVED:

That the report be noted.

23-24/ASC/23 Internal Audit Actions Update

The Assistant Chief Officer introduced the summary of actions arising from internal audit reports over the last three fiscal years together with any exception report on those actions currently in progress, progress to date on current action plans, proposals to extend the original timing for completion and those that had been completed since the last meeting.

Members were asked to approve extension requests for two actions relating to data management: to review the results of the questionnaire (Data Quality Culture Survey) and identify actions to be taken as a result, and to develop and implement a process or system of data checks to ensure data presented was accurate, reliable, complete and appropriately maintained in line with GDPR regulations.

The Deputy Assistant Chief Fire Officer advised that, as there had been 128 responses received to the survey, the Service wished to have time to give these due consideration and incorporate any required changes into the digital learning training that would be provided to all staff. Therefore, an extension was requested from 30 September 2023 to 31 December 2023 to allow this work to be completed.

The second action was related to the KPI dashboard and additional improvements the Service wished to make to allow the data processing to become fully automated. This would result in efficiencies but would take longer to implement, hence the request to extend the completion

date from 31 December 2023 to 31 March 2024. This recognised the workload of the business information team, who were also currently working on the emergency cover project and other major projects.

In response to a question from the Chair, the Committee was advised that, whilst there would be a transition period, this would not impact on performance data being submitted to the Authority on a regular basis.

The Chair requested that additional information on data flow, including the parameters, be presented to Members. The Deputy Assistant Chief Fire Officer confirmed that he would liaise with the Chair to determine how this information could be presented.

RESOLVED:

1. That the report and the progress made to date against action plans be acknowledged.
2. That the extension requests for actions relating to data management as detailed in paragraph 4.1 of the report be approved along with the additional action raised above.

23-24/ASC/24 Statement of Assurance

The Assistant Chief Officer introduced the Annual Statement of Assurance for 2022/23 to Members for approval. The Authority had a responsibility to publish an Annual Statement of Assurance which provided a report on the Service's performance in the previous year in relation to finance, governance and operations.

Councillor Owen highlighted a spelling error on the bottom of page 101 of the pack and inconsistencies in capitalisation in the same sentence regarding the Inspectorate. He expressed the view that the text relating to the inspection reports was confusing and should be reworded. The performance section appeared to be very brief; however performance was detailed in the pages immediately following the statement provided so he suggested that this should also be amended.

He also queried whether mention should be made of the most recent inspection report as there appeared to be some sections of the report which provided a forward look and others that did not.

A discussion ensued during which the Monitoring Officer provided advice that as the Statement of Assurance was a backwards-looking document, there must be consistency of language, with no reference being made to events following 31 March 2023.

The Assistant Chief Officer advised that the change in membership of the Authority was thought to be an exception, although he acknowledged the points made and would revisit the relevant sections in the Statement.

When considering the value of introducing a statement regarding the most recent inspection, and the accompanying action plan, the Committee noted that the inspection report and a press release on the report was published on the Service website and was therefore transparently in the public domain, along with the reports and Minutes of meetings where this had been discussed.

The Monitoring Officer advised that, although the Committee was being asked to refer the Statement of Assurance to the full Authority for approval, following the most recent governance review, the responsibility for approving this document had been delegated to the Audit and Standards Committee and therefore could be approved at the meeting.

The Chair commented that the information contained in the Statement appeared to be very similar to that in the Annual Governance Statement produced for consideration with the Statement of Accounts. He suggested that these two documents be combined.

The Assistant Chief Officer confirmed that some of the information included in the Statement of Assurance did not appear in the Annual Governance Statement; however, consideration could be given to producing a document that would satisfy all requirements.

RESOLVED:

1. That the contents of the Statement of Assurance for 2022/23 be acknowledged.
2. That, subject to amendments made by the Assistant Chief Officer in consultation with the Chair and Vice Chair, the Statement of Assurance be approved for publication on the Service's website.
3. That consideration be given to whether the 2023/24 Statement of Assurance could be included as part of the Authority's Annual Governance Statement.

23-24/ASC/25 Fire Standards Board update

The Deputy Assistant Chief Fire Officer presented a report that detailed progress with the gap analysis and integration of Fire Standards into business as usual.

This work was being led within the Service by the recently appointed Group Manager, Peter Knight, who had previously worked for the National Fire Chiefs Council for two years in this area and, as a result, was a subject matter expert.

A governance framework had been introduced, together with a clear approach for gap analysis and sign-off, with dedicated resources to oversee its implementation and with the Corporate Management Team providing oversight of the adoption of the standards.

The Committee was advised that, following a recent Chief Executive's Forum, the Service had agreed to create and host an Eastern region Fire Standards Forum to assist services with the implementation of Fire Standards and improve shared situational awareness across the region on Fire Standards, identify opportunities for collaboration around gap analysis and implementation and to avoid duplication.

To date, 16 fire standards had been released. Full compliance had been achieved in relation to the first fire standard on emergency driving, with all others being at some stage in the gap analysis/action plan implementation process. It was planned to complete the gap analysis on all standards by 31 December 2023.

Current criteria compliance was 70%, with 35 actions fully compliant. Of the sub-actions, 126 actions had originally been compliant, with this number increasing to 193 being compliant, with 33 partially compliant and 72 non-compliant.

In response to a question from Councillor Hussain, the Deputy Assistant Chief Fire Officer explained that all actions for the Fire Standards that had passed the gap analysis stage had completion dates; however, new Standards were being released so it was not possible to have a completion date for the implementation of all Standards.

The Committee was advised that the Fire Standards Board was a Board of the National Fire Chiefs Council and comprised of Chief Fire Officers, independent members and others with experience of implementing similar standards, such as high ranking Police Officers. The Board and the Fire Standards themselves had been introduced as part of Fire Services Reform and recognition that there were not consistent standards across the sector.

Whilst it was noted that the Inspectorate did not currently inspect services specifically on their implementation of the Fire Standards, it was an expectation that Services would be working towards this.

RESOLVED:

That the project be supported and progress made to date be noted.

23-24/ASC/26 Work Programme

The Committee received the updated work programme for 2023/24.

In response to a question, the Assistant Chief Officer confirmed that progress reports on the implementation of the action plan arising from the inspection report were being submitted to the Authority meetings so that they could be discussed by all Members of the Authority.

The Assistant Chief Officer added that the work programme was subject to change, as earlier comments in the meeting suggested that the External Audit report scheduled for the Committee's next meeting would not be available at that time.

RESOLVED:

That the Committee's Work Programme for 2023/24 be received and the 'cyclical' Agenda Items for each meeting in 2023/24 be noted.

23-24/ASC/27 Corporate Risk Register

RESOLVED:

That, pursuant to Sections 100A(2) and 100A(4) of the Local Government Act 1972, the public be excluded from the discussion of the following item on the grounds that the matters to be discussed involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act (as amended):

Item

Corporate Risk Register

The meeting ended at 11.53 am