

**MINUTES OF CORPORATE SERVICES POLICY AND CHALLENGE GROUP MEETING HELD ON 29 NOVEMBER 2017**

Present: Councillors Chapman, Duckett, Headley (Chair), McVicar and Waheed  
CFO P Fuller, ACO Z Evans, AC D Cook, Mr J Atkinson and Mr G Chambers

17-18/CS/030 Apologies

There were no apologies for absence.

17-18/CS/031 Declarations of Disclosable Pecuniary and Other Interests

There were no declarations of interest.

17-18/CS/032 Communications

The Group received the Minutes of the meeting of the ICT Shared Service Governance Board held on 26 September 2017.

ACO Evans advised that a report on the Authority's use of mod.gov would be submitted to the meeting of the full Authority on 14 December 2017.

**RESOLVED:**

That the Minutes of the ICT Shared Service Governance Board held on 26 September 2017 be received.

17-18/CS/033 Minutes

**RESOLVED:**

That the Minutes of the meeting held on 13 September 2017 be confirmed and signed as a true record.

## 17-18/CS/034 Corporate Services Performance 2017/18 Quarter 2 and Programmes to Date

ACO Evans submitted the Corporate Services programme, projects to date and performance against Corporate Services performance indicators and associated targets for the second quarter of 2017/18.

The Asset Management System project had been postponed due to limited capacity to support the development of the project. The project would be reconsidered in Summer 2018 and would be removed from the programme until that time. The paper based system currently in use was robust and this system would continue until an electronic system was developed and implemented.

The Website Procurement and Development project was rated as green as the development of a new website was being progressed and it was anticipated that the new website would be launched by March 2018.

The Fire Safety Management Information System project was currently reporting as amber due to the limited capacity within the ICT Team.

The Workbench Development – Sickness Absence Application had been completed and would be removed from the programme report. This had streamlined the sickness reporting process.

The Workbench Development – Non-Sickness Absence Application had not yet been completed and was reporting as red as the completion date of September 2017 had been missed. It was expected that this would now be completed by mid-January 2018.

The iTrent/MIS Synchronisation project was reporting as red as the completion date of September 2017 had been missed and would be completed by mid-March 2018.

The Training Centre Administration workstream was reporting as amber and a further update would be provided at the next meeting of the Group.

The HR/Payroll System and Services was reporting as amber although the system has been implemented successfully. The project had been audited by the external auditors and was being rated as amber to enable the high level of monitoring to continue by the project board.

The Retained Recruitment, Telephony Systems Replacement and the Community Defibrillator projects were green.

The Desktop Refresh project was substantially complete with only a small number of complex cases awaiting migration.

ACO Evans then reported on the second quarter performance information. All ICT indicators and all but one workshop indicator had met or exceeded target levels.

WS1a (Grade A defect response time (within 1 hour)) was reporting as amber for the quarter. AC D Cook advised that there had been a technician vacancy and this had affected the rota group. This post had now been successfully recruited to, with the applicant completing the training required to join the rota group. As such, performance against the indicator should improve in future quarters.

FNP5 (percentage of uncontested invoices paid within 30 days) was also reporting as amber, as it had missed its target of 96% by 2%. The processing of invoices had been delayed in certain departments due to changes in staffing, leave and sickness. The Finance Team was liaising with the departments concerned to ensure that performance against this indicator improved.

FNP6 (percentage of debt over 90 days old) had missed its target of 2.55% and was 9.66% at the end of the reporting period. There had been vacancies in the Finance Team during the period and following the successful recruitment to the post, the total debt outstanding as at 30 September 2017 was £37,000, with only £271.20, or 0.73%, over 90 days old.

The Chair suggested that the wording of FNP6 be revisited at the Group's target setting meeting on 13 March 2018 to ensure that debt over 90 days was being measured against the percentage of the total debt that had been raised.

**RESOLVED:**

1. That the progress made on Corporate Services Programmes and Performance be acknowledged.
2. That the Group consider amending the wording of FNP6 (percentage of debt over 90 days old) at its target setting meeting in March 2018.

17-18/CS/035 Audit and Governance Action Plan Monitoring Report

ACO Evans introduced her report on progress made to date against current action plans arising from internal and external audit reports. No extensions had been requested and all the actions from previous audits had been completed.

All actions arising from the Annual Governance Statement were in progress.

**RESOLVED:**

That progress made to date against the action plans be acknowledged.

17-18/CS/036 Revenue Budget and Capital Programme Monitoring 2017/18

Mr G Chambers, the Head of Finance and Treasurer, submitted the forecast year-end budget position as at 31 October 2017. The forecast non-salary underspend was £24,500 and the forecast salary underspend was £65,000, resulting in a total forecast underspend of £89,500.

He reported that the underspend may be allocated to replace the earmarked reserves that had been used during the year.

The Head of Finance and Treasurer reported on the variations to the Capital Programme. The first was an additional £80,000 that was required to complete the refurbishment and upgrade of the Smoke House, which would be funded from the property earmarked reserve.

The Group was being asked to approve the addition of £25,000 for an aerial drone to be purchased in conjunction with Bedfordshire Police, funded by the collaboration reserve. The initial capital costs and the ongoing revenue costs would be split proportionally between the two organisations.

AC D Cook advised that the drone specification was currently out to tender. Drone pilot training would be provided through the Fire Services College and would incorporate Civil Aviation Authority guidance and information about the interaction with and no-fly zones around the County's airports.

In response to a question about the planned non-uniform efficiency saving which would not be achieved due to the ongoing necessity for the post, ACO Evans reported that investigations were ongoing to mitigate against this.

**RESOLVED:**

1. That the forecast outturn for revenue and capital be noted.
2. That the Fire and Rescue Authority be recommended to add an aerial drone to the capital programme, to be purchased in conjunction with Bedfordshire Police.

17-18/CS/037 Treasury Management Mid-Year Review Report

Mr G Chambers, the Head of Finance and Treasurer, introduced the Treasury Management Mid-Year review report which provided an update of the Authority's treasury management to 30 September 2017.

The Authority currently had investments with Barclays Bank, Santander, Qatar National Bank and Goldman Sachs. The use of money market funds would be considered for short-term investments.

It was noted that Members had received training from the Authority's treasury management advisors at a Member Development Day on 4 July 2017. The Authority's treasury management advisors were now known as Link Asset Services.

Councillor Duckett suggested that the Authority consider lending to neighbouring local authorities on a short-term basis as it may be mutually beneficial to the authorities involved. Central Bedfordshire Council regularly borrowed funds from its neighbouring local authorities.

It was not clear whether this would be permitted under the Authority's current Treasury Management Strategy and this could be considered at its annual review, with advice being sought from the Authority's treasury management advisors.

Questions were also posed regarding ethical investments and ACO Evans suggested that an equality impact assessment may need to be completed in relation to the Authority's investment activity. A policy statement on the issue of ethical investment could be added to the Strategy when it was next reviewed by the Group.

In response to a question, the Head of Finance and Treasurer confirmed that the figures detailing the Authority's interest rate exposure related to the amount of interest.

The Chair commented that there were now no limits set out for the maturity structure of borrowing and that these may need to be introduced.

The Chair also suggested that the limits for external debt and the operational boundary as set out in the prudential indicators may need to be reviewed as they appeared not to allow the Authority any flexibility.

The Head of Finance and Treasurer advised that he would liaise with Link Asset Services to confirm the accuracy of the interpretation and calculations relating to these limits.

Members agreed that it would be useful to include a session on the prudential indicators during the next training session treasury management.

**RESOLVED:**

1. That the report be acknowledged.
2. That the following be considered during the next review of the Authority's Treasury Management Strategy:
  - (a) lending to neighbouring authorities;
  - (b) the development of a policy statement on ethical investment;
  - (c) the prudential indicators and the limits for external debt.
3. That training on the prudential indicators be offered to Members as part of the Treasury Management training.

17-18/CS/038 Review of Corporate Services Policy and Challenge Group Effectiveness

The Group considered the following questions relating to its effectiveness during 2017/18:

- i. Does the Group/Committee consider that they have been effective and discharged their responsibility in regard to the Group's/Committee's terms of reference?

- ii. Considering the Group's/Committee terms of reference are there any areas that have not been considered and should be addressed?
- iii. Does the Committee/Group consider any training and development that would assist them with the areas of work of the Group/Committee?

The Group went through its terms of reference and agreed that it was fulfilling the majority of its responsibilities effectively.

During discussion, the Service Efficiency Plan was identified as an area that would benefit from greater Member scrutiny.

It was agreed that the Group should continue to focus on commissioning and overseeing reviews into specified areas of work on a more frequent basis and select items to consider in greater depth.

Members supported the continuation of training on the Statement of Accounts and treasury management and agreed that it would be useful for members to receive training on understanding the Service's assets, including IT, fleet and property. In this respect, it was suggested that Members may benefit from a property tour or greater access to the assets of the Service.

CFO Fuller expressed the view that this could be accommodated during some of the scheduled station visits, particularly in stations where specialist equipment and/or teams were located.

**RESOLVED:**

That the Minutes of the Group's discussion of its effectiveness be fed into the facilitated meeting to be held on 18 January 2018 to review the Fire Authority's Effectiveness in 2017/18.

17-18/CS/039 ICT Shared Service Agreement Extension

ACO Evans presented a report to advise the Group of the approaching five year end date for the ICT Shared Service Agreement with Cambridgeshire Fire and Rescue Authority and to seek the Group's support for the extension of that agreement. She tabled Schedule 3: the financial arrangements, for Members' information.

She confirmed that each Authority was responsible for its own budgets. Costs were captured as part of the budget monitoring process and were allocated in accordance with usage.

In response to questions, ACO Evans assured the Group that an exit clause (set out in Section 16 of the agreement) remained in the agreement which would allow either Authority to terminate the agreement prior to the end of the five year period.

A review of the structure in the Shared Service was currently being undertaken to ensure that the Service was resourced to adequately address the business change projects and programmes whilst continuing to deliver “business as usual” work requirements.

It was acknowledged that the introduction of the ICT Shared Service had improved performance against the performance indicators and increased customer satisfaction levels. It also enabled each Service to benefit from a greater breadth of ICT skills.

The Chair commented that the section on data protection would need to be updated to comply with the General Data Protection Regulations.

**RESOLVED:**

That the Authority be recommended to extend the Shared Services agreement between Bedfordshire Fire and Rescue Authority and Cambridgeshire Fire and Rescue Authority for a further period of five years with the same terms as the existing agreement, acknowledging that the agreement would have to be amended to ensure compliance with the General Data Protection Regulations.

17-18/CS/040 Corporate Risk Register

AC D Cook submitted an update on the Corporate Risk Register.

There were no changes to individual risk ratings. There had been updates to the following risks:

CRR29 (If we do not communicate well, both internal and external to the Service, then we will suffer from poor staff morale, miss the opportunity to promote ourselves and the excellent work we do and potentially impact upon our ability to deliver a full range of services): significant progress had been made in relation to the development of the Service’s new website. A focus group had been held with the service provider and a “base camp” facility was being introduced to facilitate the exchange of information and the resolution of any issues arising during the course of the project.

CRR05 (If we are unable to provide adequate asset management and tracking facilities then we may cause serious injuries to our staff due to a lack of safety testing. We may also incur unnecessary significant costs and be in breach of health and safety legislation): as reported earlier in the meeting, the current paper-based system was robust. Research into cloud based asset tracking systems would be undertaken in Summer 2018.

CRR04 (If there are a large number of staff absent from the workplace then our ability to deliver services to our communities is severely compromised and our reputation will be adversely affected): all staff were sent an e-voucher for a flu vaccination, although the take-up was not as high as the Service would have hoped and this will be reviewed next year.

**RESOLVED:**

That the development of the Service's Corporate Risk Register in relation to Corporate Services be noted and approved.

17-18/CS/041 Review of Work Programme 2017/18

Members considered the Work Programme for 2017/18.

ACO Evans reported that the Asset Management Strategy would be submitted to the Group's next meeting. The ICT and Fleet Asset Management Plans would be considered at the Group's meeting in June 2018 with the Property Asset Management Plan submitted in September 2018. This would enable the Group to consider the individual documents in greater detail.

**RESOLVED:**

That the Work Programme for 2017/18 be received.

The meeting finished at 11.24am.



## **NOTES OF AN INFORMAL CORPORATE SERVICES POLICY AND CHALLENGE GROUP MEETING HELD ON 12 MARCH 2018**

Present: Councillors M Headley (Chair) and D McVicar

CFO P Fuller, ACO Z Evans, SOC C Ball, AC D Cook, Mr J Atkinson, Mr G Chambers and Mr A Dosanjh

### 17-18/CS/42 Apologies

42.1 An apology for absence was received from Councillor Chapman.

42.2 The absence of three members of the Group meant that the meeting was not quorate and the Secretary/Monitoring Officer advised that in those circumstances the Group could not make any decisions, including submitting recommendations to the FRA. However, it was possible for the items on the agenda to be discussed informally and for any matters requiring a decision to be forwarded to the FRA for decision.

### 17-18/CS/43 Declarations of Disclosable Pecuniary and Other Interests

43.1 There were no declarations of interest.

### 17-18/CS/44 Communications

44.1 There were no communications.

### 17-18/CS/45 Minutes

**Deferred to the Group's next meeting.**

### 17-18/CS/46 Corporate Services Performance 2017/18 Quarter 3 and programmes to date

46.1 ACO Evans submitted the Corporate Services programme, projects to date and performance against Corporate Services performance indicators and associated targets for the third quarter of 2017/18.

- 46.2 The Asset Tracking System was currently deferred pending a further report to the Service's Corporate Management Team.
- 46.3 The Website Procurement and Development project was making good progress and Members would shortly be sent a link to participate in user testing. The work undertaken by AC D Cook and his team on this project was recognised.
- 46.4 The Protection Replacement Management Information System remained on Amber as there were still ICT training issues to resolve. The Prevention part of the Information System project was rated as green.
- 46.5 The non-sickness absence synchronisation module of iTrent was rated red as issues had arisen due to a lack of capacity and the complexity of the integration. This would continue to be monitored. The people/person synchronisation was also rated red but would be completed by the end of the week.
- 46.6 The unified communications project was rated as amber as there had been some slippage arising from configuration issues. The provider had offered an on-site resource to drive through the changes required and the rate of progress had increased as a result.
- 46.7 The community defibrillator project was complete and would be closed down as a reportable project, as would the Desktop Refresh (VDI). A small group of users had not yet been migrated across but this would take place under the new VDI Upgrade project which would continue to be reported to the Group.
- 46.8 It was requested that a link to iTrent be recirculated to Members to enable them to access their P60s.
- 46.9 ACO Evans then reported on the performance indicators as at the end of the third quarter of 2017/18. All ICT and Fleet and Workshops indicators were reporting as green, with the exception of WS1a (Grade A defect response time (within 1 hour)), which had not recovered from poor first quarter performance caused by a vacancy in the workshop. The post had now been successfully recruited to and performance was meeting target levels for the quarter, but as performance was cumulative, it was still reporting as amber and was likely to do so at year end.
- 46.10 Mr G Chambers, the Head of Finance and Treasurer, reported on the indicators, two of which had not achieved target levels. FNP5 (percentage of uncontested invoices paid within 30 days) had missed its target by 1%. The Finance Team regularly liaised with departments to resolve issues with the late authorisation of invoices and/or raising of purchase orders which delayed payment of invoices.
- 46.11 FNP6 (percentage of outstanding debt over 90 days old) was red as a result of underperformance in quarter 1 arising from a vacancy. A table should have been included in the exception report to illustrate that performance against the indicator continued to

improve, with performance of 18.6% in quarter 1, 0.73% in quarter 2 and 1.49% in quarter 3. Changes were being proposed to the way this indicator was reported to give a more accurate reflection of quarterly performance.

46.12 Members asked that a link be sent to them to enable to access their P60s via iTrent.

#### 17-18/CS/47 Proposed Corporate Services Indicators and Targets for 2018/19

- 47.1 ACO Evans introduced the proposed suite of Corporate Services performance indicators and associated targets for 2018/19 for incorporation into the Service's performance management framework.
- 47.2 She advised that, no significant changes were being proposed to the targets for the ICT performance indicators for 2018/19 to enable continued benchmarking of performance.
- 47.3 The property performance indicators would be based on historical and 2017/18 actual usage data for water, electricity and gas. As such, they would be reported to a future meeting of the Group, after year end.
- 47.4 In relation to the finance indicators, it was proposed that FNP2 (accuracy of net budget forecast) be subdivided into two measures reported at different times during the year, with both reported at year end and that FNP6 (percentage of outstanding debt over 90 days old) be revised to report the outstanding debt over 90 days old at the end of each quarter from the total debt raised in that quarter.
- 47.5 In response to a comment on collaboration, it was noted that the Service Delivery Policy and Challenge Group was the Group which had oversight of the majority of collaborative work the Service undertook with other emergency services.
- 47.6 The Chair requested that the amounts, rather than the percentages, be reported to Members under FNP6, with the target a figure based on the two year average.

#### 17-18/CS/48 New Internal Audit Report Completed to date

- 48.1 ACO Evans introduced the internal audit report of Key Financial Controls which had been completed in January 2018.
- 48.2 The auditors had issued an opinion of substantial assurance. The controls upon which the Service relied on to manage the identified areas were suitably designed, consistently applied and operating effectively.
- 48.3 The Head of Finance and Treasurer reported that the three recommendations in the report had already been completed.

#### 17-18/CS/49 Audit and Governance Action Plan Monitoring Report

- 49.1 ACO Evans introduced her report on progress made to date against current action plans arising from internal and external audit reports. No extensions had been requested and all the actions from previous audits had been completed awaiting follow up audits.

#### 17-18/CS/50 Treasury Management Strategy and Practices

- 50.1 Mr G Chambers, the Head of Finance and Treasurer, submitted his report on the Treasury Management Strategy and Practices and referred to information on ethical investments that had been circulated to Members electronically with the agenda for the meeting.
- 50.2 It was noted that the Service's treasury management advisors, Link Asset Services, were not aware of any local authority that has invested in Ethical Investments.
- 50.3 The Treasury Management Strategy Statement had been updated in accordance with updates to the Code primarily relating to the commercial approach increasingly being taken by local authorities who were investing in property outside of their own areas. Inter-authority lending had also been included as an option following the discussion of this by Members at a previous meeting.
- 50.4 There had been no significant material changes to the Treasury Management Practices.
- 50.5 Changes in the presentation of the prudential indicators had also been made following consultation with the Chair and Link Asset Services.
- 50.6 The Chair requested that if any changes were made, following a meeting referred to between Officers and Link Asset Services, on the Capital Financing Requirement and the under/over borrowed position going forward, that these be reported back to the Group at its next available meeting.
- 50.7 The Chair confirmed that Members would wish to receive treasury management training on an annual basis and commented that the Treasury Management Scheme of Delegation as set out in Appendix 6 would need to be revised as it currently referred to powers of approval which the Group did not have.

#### **The following officer recommendation was forwarded to the FRA for decision:**

That the updated documents be referred to the Fire and Rescue Authority for adoption, subject to references to approval being removed from the Group's section of the Treasury Management Scheme of Delegation in Appendix 6 of the Strategy:

- i. Treasury Management Strategy Statement
- ii. Minimum Revenue Provision Policy and Annual Investment Strategy
- iii. Treasury Management Practices

#### 17-18/CS/51 Asset Management Strategy for 2018/19

- 51.1 The Head of Finance and Treasurer introduced the proposed Asset Management Strategy and advised that no significant changes had been made to the Strategy.
- 51.2 In response to a question from the Chair, the Head of Finance and Treasurer confirmed that the Police and Crime Act 2017 would be referred to in section 3 of the Strategy which listed the legislation under which the Service had statutory obligations to meet.
- 51.3 It was also requested that reference to the post implementation review of all capital projects that were undertaken in section 4(d) of the Strategy be updated to detail that these were reported back to Members in the Asset Management Plans that were submitted to the Group for consideration on an annual basis.

#### **The following officer recommendations were forwarded to the FRA for decision:**

- 1. That the Asset Management Strategy be forwarded to the Fire and Rescue Authority for approval, with the inclusion of the Police and Crime Act 2017 in section 3 and the update to section 4(d) to clarify that post implementation review was undertaken by the Group during its consideration of the individual Asset Management Plans.
- 2. That the Strategy is reviewed every three years and the individual Asset Management Plans annually.

#### 17-18/CS/52 Corporate Risk Register

- 52.1 AC D Cook submitted an update on the Corporate Risk Register. There were no changes to individual risk ratings. There had been updates to the following risks:
- 52.2 CRR29 (If we do not communicate well, both internal and external to the Service, then we will suffer from poor staff morale, miss the opportunity to promote ourselves and the excellent work that we do and potentially impact upon our ability to deliver a full range of services): the new website frames for both mobile and online versions of the website had been shared with Management at a briefing day and the Service continued to work closely with Zengenti over the content.
- 52.3 CRR04 (If there is a large number of staff absent from the workplace then our ability to deliver services to our communities is severely compromised and our reputation will be adversely affected): the adverse weather plan had been reviewed and the recent snow had not impacted on service delivery.

- 52.4 CRR05 (If we are unable to provide adequate asset management and tracking facilities then we may cause serious injuries to our staff due to a lack of safety testing. We may also incur unnecessary significant costs and be in breach of health and safety legislation): as reported earlier in the meeting, the asset management tracking project had been deferred but market research into cloud-based solutions continued with Officers recently visiting Durham and Darlington Fire and Rescue Service to view its asset management system
- 52.5 CRR15 (If we do not properly manage the work issues that can potentially be caused by collaboration or shared services including: 1. Redundancy 2. Relocation 3. Cost of work for the convergence of procedures 4. Use of inexperienced staff familiar with FRS operations 5. Increase in staff numbers and associated cost then there will be a negative cultural impact upon the service and the projects may fail): the project closure document had been drafted for an anticipated closure of 31 March 2018. Work would continue under this work stream and would be handed over to the Head of Service Delivery as a service delivery function.
- 52.6 The Chair requested that the full Corporate Risk Register, and not an extract of just those risks which had changed or been updated, be submitted to the Group at a future meeting.

#### 17-18/CS/53 Review of Work Programme 2017/18

- 53.1 Members considered the Work Programme for 2017/18.
- 53.2 It was noted that the three Asset Management Plans would not be considered at the same meeting in 2018/19 as they had in previous years.
- 53.3 CFO Fuller referred to the Officer resource involved in supporting the current structure of the Authority and the present number of Member meetings.
- 53.4 ACO Evans suggested that RSM be asked to consider the structure of Member meetings during the audit of Governance.

The meeting ended at 10.53 am