

EAST SUSSEX FIRE AUTHORITY

Minutes of the meeting of the SCRUTINY & AUDIT PANEL held at East Sussex Fire & Rescue Service Headquarters, 20 Upperton Road, Eastbourne, at 10:00 hours on Thursday 16 January 2014.

Members Present: Councillors Barnes, Buchanan, Carden, Lambert, Pragnell, Rufus (Chair), Theobald and Wincott.

N.B. Councillor Barnes attended the meeting in place of Councillor Taylor, and Councillor Pragnell in place of Councillor Galley, having been nominated by the Deputy Monitoring Officer in consultation with the relevant Group spokesperson.

Also present:

Mr. D Prichard (Chief Fire Officer & Chief Executive), Mr. G. Walsh (Deputy Chief Fire Officer), Mr. G. Ferrand (Assistant Chief Fire Officer), Mrs. C. Rolph (Assistant Chief Officer), Mr. D. Savage (Treasurer), Ms. L. Woodley (Deputy Monitoring Officer), Ms. H. Champion (Ernst & Young Auditors) and Mrs. S. Klein (Clerk).

878. DISCLOSABLE PECUNIARY INTERESTS

878.1 It was noted that, in relation to matters on the agenda, no participating Member had any disclosable pecuniary interest under Section 30 of the Localism Act 2011.

879. APOLOGIES FOR ABSENCE

879.1 Apologies were received from Councillors Galley and Taylor.

880. ANY OTHER NON-EXEMPT ITEMS CONSIDERED URGENT BY THE CHAIR/ CHAIR'S BUSINESS

880.1 There were no urgent items for consideration.

880.2 The Chairman welcomed Hannah Champion, from Ernst & Young, the Fire Authority's external auditors, to the meeting.

881. TO CONSIDER PUBLIC QUESTIONS OR PETITIONS, IF ANY

881.1 There were none.

882. NON-CONFIDENTIAL MINUTES OF THE LAST SCRUTINY AND AUDIT PANEL MEETING HELD ON 14 NOVEMBER 2013

882.1 **RESOLVED** – That the non-confidential minutes of the meeting of the Scrutiny & Audit Panel held on 14 November 2013 be approved as a correct record and signed by the Chair. (Copy in Minute Book).

883. **CALLOVER**

883.1 Members reserved the following items for debate:

884. Internal Audit Review of compensatory rotas and other issues

885. 2013 Investors in People Assessment

886. 3rd Quarter Corporate Risk Plans

887. 2013/14 Key Task Areas and Corporate Projects – 3rd quarter outturn results

883.2 **RESOLVED** – That all other reports be resolved in accordance with the recommendations as detailed below.

884. **INTERNAL AUDIT REVIEW OF COMPENSATORY ROTAS AND OTHER ISSUES**

884.1 Members considered a report of the Chief Fire Officer & Chief Executive that advised on progress following the Internal Audit report into compensatory leave and other employee claim issues. (Copy in Minute Book).

884.2 The Scrutiny & Audit Panel had been advised in April 2013 that anomalies had been uncovered regarding overtime claims by some operational staff, primarily regarding the amount of overtime that could be claimed by staff who worked over a Public Holiday; as a result, a wider internal audit investigation into the validity of individual overtime claims by operational staff was instigated

884.3 All overtime claims made by operational staff over the past few years had now been examined and many minor corrections made as a result. A secondary issue was a mis-application of the rules relating to travelling to/from courses held at the Service Training Centre.

884.4 The Deputy Chief Fire Officer had carefully considered a few cases where there was concern that the amount or scale of the leave anomalies might indicate the need for disciplinary action; several employees had been formally interviewed, and had undertaken to 'hand back' all leave that was incorrectly claimed; no financial loss has been suffered by the Authority and no formal disciplinary awards were made against these individuals, although a few received formal warnings as to their future conduct. ¹

884.5 Councillor Theobald asked for clarification on Issue R8 of the first audit report – shift swapping and DCFO Walsh explained that this enabled individuals of the same competency and training to swap shifts with each other. This had happened on an informal basis for a number of years, but needed to be formalised, as in other Fire & Rescue Services, to ensure an adequate level of cover, with the equivalent skill base, was maintained.

884.6 **RESOLVED** – That the report and progress against the Action Plan resulting from the Internal Audit be noted.

¹ Following the meeting, it was identified that there was an omission in respect of a response to action R12 of the second audit report – consider whether retrospective conversion of hours to pay should be permitted. A revised timetable is available on request from the Clerk to the Fire Authority.

885. **2013 INVESTORS IN PEOPLE ASSESSMENT**

- 885.1 Members considered a report of the Chief Fire Officer & Chief Executive that advised on the outcome of the 2013 Investors in People (IiP) Assessment. (Copy in Minute Book).
- 885.2 The IiP Assessor had visited the Service in July and November 2013 to conduct the three yearly assessment against the IiP standards. The respective reports concluded “the IiP Specialist is totally satisfied that East Sussex Fire & Rescue Service meets the requirements of the IiP National Standard”.
- 885.3 Members noted that the IiP Assessor had made a number of suggestions for continued managerial improvements, in his role as ‘candid friend’, which had been acted upon and would continue to assist the Service going forwards, delivering an effective and efficient Fire & Rescue Service in the most difficult of times.
- 885.4 Councillor Theobald asked for clarification of the Assessor’s identification of a number of apparent disconnections between Corporate Management Team (CMT) members and senior managers at Heads of Function and Borough Commander level; and the perception of a theme of individual behaviours and values and competing leadership styles. The CFO&CE explained that the Assessor had spoken to a number of staff and this was their perception. Meetings had been held between members of CMT and Heads of Functions to enable them to become more fully engaged with the corporate agenda; the CFO&CE explained that CMT needed to continue to be visible to staff and to demonstrate the leadership, values and behaviours that were expected of employees of ESFRS.
- 885.5 Councillor Rufus was encouraged by the Assessor’s positive observations when he delivered his Assessment report in December 2013, including the commitment shown by CMT in taking on board feedback, and his confirmation that the Service met the IiP Standard.
- 885.6 **RESOLVED** – That it be noted that the Service had retained the Investors in People Award following the 2013 Assessment.

886. **3RD QUARTER CORPORATE RISK PLANS**

- 886.1 Members considered a joint report of the Chief Fire Officer & Chief Executive and Treasurer that reported on the latest quarterly review of Corporate Risk and sought their approval of the new Corporate Risk Register. (Copy in Minute Book).
- 886.2 Following agreement at the CMT meeting on 24 September 2013 to change the corporate risk process, and participation at the corporate risk workshop on 18 October, seven revised/new strategic risks were identified.
- 886.3 Members noted that all risk management action plans had been updated by each risk owner in line with Service key task areas and other service delivery objectives. The new corporate risk process was intended to ensure that the key strategic risks that the Authority faces were identified and effectively managed.

- 886.4 Councillor Barnes suggested that the Corporate Risk Register could be further refined to indicate the 'direction of travel' of each risk and the CFO&CE agreed that this could be facilitated by adding a column to include arrows showing this. Councillor Barnes also suggested that those risks classified as 'green' could be looked at on occasion to test that their escalation is correct; the CFO&CE confirmed that there were currently no risks within the green area. Members would continue to scrutinise the risks and to consider those within the amber area if they were concerned that these might move towards the red area.
- 886.5 Councillor Barnes also supported the new Register and asked whether Risk 6, 'Communication', also covered reputational risk. The CFO&CE explained that, as a public organisation, ESFRS took transparency very seriously and highlighted the Members' workshop on 8 January which had considered the consultation process for future savings proposals. ACO Rolph assured Members that the Service was getting the information it required from stakeholders and highlighted the recent workshop attended by Members.
- 886.6 The CFO&CE explained that Risk 5, Community, which covered industrial action, had been scored as 'moderate' because this action was currently discontinuous. Should the FBU decide to ballot on continuous or more prolonged action, the risk would be revisited.
- 886.7 Councillor Rufus found the new Register more helpful than previously and reminded Panel members that they should flag up any concerns with officers.
- 886.8 **RESOLVED** – That the new Corporate Risk Register be approved.
887. **2013/14 KEY TASK AREAS AND CORPORATE PROJECTS – 3RD QUARTER OUTTURN RESULTS**
- 887.1 Members considered a report of the Chief Fire Officer & Chief Executive that presented the 2013/14 3rd quarter outturn results on our corporate Key Task Areas and Projects. (Copy in Minute Book).
- 887.2 Councillor Wincott asked whether there was any update on Activity 1.1.4.9 KTA 05 – future of financial services provision for ESFRS. The Treasurer had last met with the Chief Finance Officer at East Sussex County Council (ESCC) before Christmas and was awaiting a formal proposal, although he confirmed that ESCC would continue to carry out the compilation of the final accounts for 2013/14 and he had been assured that the Authority would be given sufficient notice should any changes to the financial services provision be proposed.

887.3 Councillor Barnes highlighted a recurring issue with IT projects and the constant staff changes which were leading to delays and further risks. He suggested taking cognisance of this issue and building it into timetables for future projects. ACFO Ferrand explained that the Information Management Department was in a heavy development mode and procuring additional staff services through agencies to support corporate projects. This restricted ESFRS's planned use of these staff, who could choose to leave at short notice.

887.4 **RESOLVED** – That the corporate progress made at the end of the 3rd Quarter 2013/14 be noted, within the context of the other work priorities.

888. **EXCLUSION OF THE PRESS AND PUBLIC**

888.1 **RESOLVED** – That item number 889 be exempt under paragraph 3 of Schedule 12A to the Local Government (Access to Information) (Variation) Order 2006 and, accordingly, was not open for public inspection on the grounds that it included information relating to the financial or business affairs of any particular person (including the Authority holding that information).

PART 2

889. **CONFIDENTIAL MINUTES OF THE LAST SCRUTINY & AUDIT PANEL MEETING HELD ON 14 NOVEMBER 2013 (EXEMPT CATEGORY UNDER PARAGRAPH 3 OF THE LOCAL GOVERNMENT ACT 1972).**

889.1 **RESOLVED** – That the confidential minutes of the meeting of the Scrutiny & Audit Panel held on 14 November 2013 be approved as a correct record and signed by the Chair. (Copy in Minute Book).

The meeting concluded at 10:40 hours.

Signed
Dated this

Chair
day of

2014