



EAST SUSSEX FIRE AUTHORITY

SCRUTINY & AUDIT PANEL

THURSDAY 15 MAY 2014 AT 10.00 hours

MEMBERS

East Sussex County Council

Councillors Buchanan, Galley, Lambert, Taylor and Wincott.

Brighton and Hove City Council

Councillors Carden, Rufus (Chair) and Theobald.

You are requested to attend this meeting to be held at East Sussex Fire & Rescue Service Headquarters, 20 Upperton Road, Eastbourne, at 10:00 hours.

AGENDA

Item No.	Page No.	
890.	1.	In relation to matters on the agenda, seek declarations of any disclosable pecuniary interests under Section 30 of the Localism Act 2011.
891.	1.	Apologies for absence.
892.	1.	Notification of items which the Chair considers urgent and proposes to take at the end of the agenda / Chair's business items. (Any Members wishing to raise urgent items are asked, wherever possible, to notify the Chair before the start of the meeting. In so doing they must state the special circumstances which they consider justify the matter being considered urgently).
893.	1.	To consider any public questions and petitions.
894.	3.	Non-confidential Minutes of the last Scrutiny & Audit Panel meeting held on 16 January 2014 (copy attached).

895. 2. Callover.

The Chair will call the item numbers of the remaining items on the open agenda. Each item which is called by any Member shall be reserved for debate. The Chair will then ask the Panel to adopt, without debate, the recommendations and resolutions contained in the relevant reports for those items which have not been called.

[896.](#) 9. External Audit Plan and Update – joint report of the Chief Fire Officer & Chief Executive and Treasurer (copy attached) including:
2013/14 Draft Audit Plan
2013/14 Audit Progress Report
2014/15 Audit Fee Letter

[897.](#) 11. Operational Assessment and Fire Peer Challenge – report of the Chief Fire Officer & Chief Executive (copy attached).

[898.](#) 13. 2013/14 Corporate Risk Register – 4th Quarter – joint report of the Chief Fire Officer & Chief Executive and Treasurer (copy attached).

[899.](#) 19. 2013/14 Key Task Areas and Corporate Projects – 4th Quarter outturn results – report of the Chief Fire Officer & Chief Executive (copy attached).

[900.](#) 21. 2012/13 Service Benchmarking – report of the Chief Fire Officer & Chief Executive (copy attached).

[901.](#) 27. Internal Audit Review of Contracting & Procurement – report of the Chief Fire Officer & Chief Executive (copy attached).

902. 2. Exclusion of the Press and Public

To consider whether, in view of the business to be transacted or the nature of the proceedings, the press and public should be excluded from the remainder of the meeting on the grounds that, if the public and press were present, there would be disclosure to them of exempt information. NOTE: Any item appearing in the confidential part of the Agenda states in its heading the category under which the information disclosed in the report is confidential and therefore not available to the public. A list and description of the exempt categories are available for public inspection at East Sussex Fire & Rescue Service Headquarters, 20 Upperton Road, Eastbourne, and at Brighton and Hove Town Halls.

ABRAHAM GHEBRE-GHIORGHIS
Monitoring Officer
East Sussex Fire Authority
c/o Brighton & Hove City Council

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

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**

Date: **15 May 2014**

Title of Report: **External Audit Plan and Update 2013/14**

By: **Chief Fire Officer & Chief Executive and Treasurer**

Purpose of report: **To inform the Panel of the content of the external audit plan 2013/14 and progress to date**

RECOMMENDATION: The Panel is recommended to:

- i) Approve the External Audit Plan for 2013/14;
- ii) Note progress to date; and
- iii) Note the external audit fee for 2014/15

MAIN ISSUES:

1. The attached external audit plan (Appendix A) sets out the work that the Authority's external auditors, Ernst & Young LLP (EY), intend to carry out in order to audit the Authority's 2013/14 accounts and form their judgement on the Authority's value for money arrangements. EY has not identified any specific risks relating to the Authority's accounts.
2. Progress to date on the External Audit Plan is set out in Appendix B.
3. The fee for the 2014/15 audit (Appendix C) is confirmed as £41,021 which is in line with the Audit Commission's nationally set scale of fees and is dependent on a number of factors including the quality and timeliness of the accounts and their associated working papers, and the ability of the external auditors to rely on the work carried out by internal audit. The fee for 2013/14 was agreed at £41,021 but the Authority also received a rebate of £5,614 from the Audit Commission.

Des Prichard
CHIEF FIRE OFFICER &
CHIEF EXECUTIVE
1 May 2014

Duncan Savage
TREASURER

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**
Date: **15 May 2014**
Title of Report: **Operational Assessment and Fire Peer Challenge**
By: **Chief Fire Officer & Chief Executive**
Purpose of report: **To present the final report from the Operational Assessment and Fire Peer Challenge 2014**

RECOMMENDATION: The Panel is asked to;
i) Note the findings of the Operational Performance Assessment and Fire Peer Challenge;
ii) Note that an appropriate action plan will be drawn up based on those Areas to be Explored not already covered by the Service's transformation programme; and
iii) Note areas of Notable Practice identified by the Peer Team during the Assessment.

MAIN ISSUES

1. The Fire and Rescue sector has a strong and long-standing commitment to sector-led improvement. As part of this, the Chief Fire Officers' Association (CFOA) developed the concept of Operational Assessment (OpA) in 2009, in partnership with the Local Government Association (LGA) and the Chief Fire & Rescue Adviser (CFRA). This process, which has a strong operational focus, comprises a self assessment and external peer challenge and is designed to allow a 'whole system' look at how a Fire & Rescue Authority (FRA) leads, prioritises and delivers the interrelated functions of prevention, protection and response.
2. The Operational Performance Assessment and Fire Peer Challenge took place in late January 2014, and the final report was received by the Service in April 2014. The final report is included as Appendix 1 for Member consideration. The Peer Review Team reported at the feedback meeting that they had enjoyed undertaking the Peer Review at East Sussex and that it was a positive experience.
3. The Panel is asked to note that the final report is being considered and an appropriate action plan will be developed, and provided for scrutiny by the Panel, for those 'Areas to be Explored' that are not already included in the Service's existing plans.
4. Members of the Panel should also note the Examples of Notable Practice as identified by the Peer Team and acknowledge the on-going commitment of staff to deliver the Fire Authority's aims and objectives even at this time of change.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
17 April 2014

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**
Date: **15 May 2014**
Title: **2013/14 Corporate Risk Register Review – 4th Quarter**
By: **Chief Fire Officer & Chief Executive and Treasurer**
Purpose of Report: **To report on the latest quarterly review of Corporate Risk and agree outcomes**

RECOMMENDATION: The Panel is asked to approve the latest Corporate Risk Register.

MAIN ISSUES

1. Following agreement at the CMT meeting on 24 September 2013 to change the corporate risk process, and CMT participation at the corporate risk workshop on 18 October, to create a new corporate risk register, seven revised/new strategic risks were identified.
2. Reviews of corporate risks take place on a quarterly basis. The latest series of meetings with Corporate Risk Owners was carried out during April 2014 to update risk management action plans and review the position of each risk. The Panel is asked to note that all risk management action plans have been updated following individual reviews for each risk owner to monitor and review each action plan in line with Service key task areas and other service delivery objectives. This revised process will support the following:
3. The new corporate risk process is intended to ensure that the key strategic risks that the Authority faces are identified and effectively managed. The structure of the register aims to be clear, transparent and dynamic in risk monitoring and more clearly linked to the delivery of the Authority's strategic outcomes. It will ensure the Scrutiny & Audit Panel is better informed, and, therefore:
 - Risks are aligned to an ESFRS 'Aim'
 - Revised Risk Scoring/Matrix/Register format
 - Scrutiny & Audit Panel, CMT and senior managers will be better informed for decision making
 - Increased movement of risks within the register, based on completion of tasks
 - Directorate risk registers are being created and managed by relevant directors and managers
 - Clearer escalation/de-escalation between corporate and directorate risk registers
 - Adds real value to the business impact on strategic direction
 - Refocuses resource to support managers and provide challenge on risks / control measures



Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
22 April 2014




Appendix A
Revised Scoring for all Corporate and Directorate risks


Impact Likelihood	Minor (1)	Moderate (2)	Serious (3)	Critical (4)	Catastrophic (5)
Very High (5)	amber Moderate (5)	amber Substantial (10)	red Substantial (15)	red Intolerable (20)	red Intolerable (25)
High (4)	green Tolerable (4)	amber Moderate (8)	amber Substantial (12)	red Intolerable (16)	red Intolerable (20)
Significant (3)	green Tolerable (3)	amber Moderate (6)	amber Moderate (9)	amber Substantial (12)	red Substantial (15)
Low (2)	green Tolerable (2)	green Tolerable (4)	amber Moderate (6)	amber Moderate (8)	amber Substantial (10)
Very Unlikely (1)	green Tolerable (1)	green Tolerable (2)	green Tolerable (3)	green Tolerable (4)	amber Moderate (5)

Appendix B

Number / Reference	Aligned to ESFRS Aim	Strategic Risk	Key Actions	Impact Score	Likelihood Score	Current Status (by colour) and total score. (Previous score shown)	Corporate Risk Owner	Risk delivery manager
1 Financial	4	Failure to identify and deliver savings to meet the expected funding gap to 2018/19 and the uncertainty of funding both from year to year and beyond 2015/16 resulting in an unclear service delivery model for the future	<p>1) MTFP updated and savings target of £7.1m agreed July 2013</p> <p>2) Non-operational and operational (Phase 1) savings approved Dec 2013 and built into 2014/15 budget and MTFP</p> <p>3) 2014/15 budget approved - outstanding savings gap £2.4m</p> <p>4) Agreement for Phase 2 savings to go to public consultation with final decision June 2014</p> <p>5) Opportunities for further collaboration with public sector partners being examined</p> <p>6) Bids for funding to be made against CLG Fire Transformation Fund</p> <p>7) ESFOA work on LCTSG scheme, Single Person's Discount, Empty Homes Review and pooling seeking to maximise income from council tax and non-domestic rates.</p> <p>8) Improvement and Efficiency reserve established to fund transformation initiatives</p> <p>9) Programme management arrangements being developed to manage delivery of all Phase 1-3 proposals.</p>	3	4	<p>12 (Substantial)</p> <p>↔</p> <p>amber</p>	CFO & CE	Treasurer / Director of Financial Services
2 Technology	4	a) Sustained Technological failure and b) failure to deliver organisational change as a result of a lack of a robust and effective modern ICT infrastructure	<p>1) Business critical work to renew or replace equipment has been identified and costed. CMT have been apprised of these tasks and have supported the work, some of which will be undertaken throughout the current financial year.</p> <p>2) The current IT estate will be sustained until a new operating model is delivered. The options under review include commercial and shared service opportunities and will seek to provide an affordable, secure and resilient IT infrastructure. It is hoped to transition to a new state within 18 months from the beginning of 2014/15.</p>	4	3	<p>12 (Substantial)</p> <p>↔</p> <p>amber</p>	ACFO	ACF

Number / Reference	Aligned to ESFRS Aim	Strategic Risk	Key Actions	Impact Score	Likelihood Score	Current Status (by colour) and total score. (Previous score shown)	Corporate Risk Owner	Risk delivery manager
3 Partnership		Sussex Control Centre does not deliver effective mobilisation service or planned savings	<ol style="list-style-type: none"> 1) Regular monthly recorded meetings with Remsdaq 2) Successful Factory acceptance, Site and User acceptance tests will ensure specification and functionality tested at all stages 3) Milestone payments are not triggered until pass of acceptance tests and are staged. 4) Other FRS have contract with Remsdaq therefore market pressure to deliver 5) Remsdaq sub contractors are established in sector and are proven working systems 6) SCC go live will be subject to sign off by both Senior Users 7) Regular monthly financial reporting to SCC Project Board, Management Teams and Governance Boards 8) Savings target for 2014/15 revised to reflect delay in implementation 	3	4	<p style="text-align: center;">12 (Substantial)</p> <p style="text-align: center;"></p> <p style="text-align: center;">amber</p>	ACO until go live / DCFO post go live	SCC Project Manager until go live / DRR post
			<p style="color: red; margin: 0;">Post go live</p> <ol style="list-style-type: none"> 1) Section 16 and SCC Concept of Operations provide the strategic operational framework for the SCC, including arrangements under which call handling, mobilisation and related functions are discharged. 2) SCC Operational Governance Board, made up of representatives of both East and West Sussex FRS, meets monthly to ensure that the Joint Control is effective, efficient and resilient and that any issues and areas of concern are reported and acted upon 3) ESFRS specific operational and performance matters considered at the monthly Response & Resilience management team meetings 4) A previously agreed review of shift times and proposed mid-shift begins in February to consider options for further improving SCC efficiency . 	4	2	<p style="text-align: center;">8 (Moderate)</p> <p style="text-align: center;"></p> <p style="text-align: center;">amber</p>		

Number / Reference	Aligned to ESFRS Aim	Strategic Risk	Key Actions	Impact Score	Likelihood Score	Current Status (by colour) and total score. (Previous score shown)	Corporate Risk Owner	Risk delivery manager
4 Leadership	4	Failure to effectively lead/manage the service through a period of significant change as a result of lack of corporate capacity, management competences and poor staff engagement	1) Undertake a review and realignment of corporate references and engage with Heads of Service/Function to review middle and senior managers' responsibilities and accountabilities. 2) ACO and Head of L&OD to review leadership development to meet evolving and emerging needs. 3) ACO and Communications and Marketing Manager to review staff communication strategy to promote effective organisational communications.	3	2	6 (Moderate)  amber	CFO & CE	ACO
5 Community	1	Longer term Industrial Action could impact on the ability to deliver services, impact on the relationships with the workforce and has the potential for reputational damage	1) Constant Review of Business Continuity and Industrial Action Contingency Plans 2) Maintain consultation and negotiation with trade unions 3) Maintain effective communications 4) Monitor impact on service delivery	3	3	9 (Moderate)  amber	DCFO	DP&P
6 Communication	3	Key stakeholders including the public, members, employees and partners are insufficiently informed about/engaged in the difficult choices the Authority faces	1) ACO, Head of Performance Management and Communications and Marketing Manager to work with the Chairman, Vice Chair and the Fire Authority to engage with local communities, local authority partners, agencies and other organisations. 2) Utilise a variety of media to support communication strategy	3	2	6 (Moderate)  amber	ACO POD	Head of Performance / Communications & Marketing Manager

Number / Reference	Aligned to ESFRS Aim	Strategic Risk	Key Actions	Impact Score	Likelihood Score	Current Status (by colour) and total score. (Previous score shown)	Corporate Risk Owner	Risk delivery manager
7 Resource	6	Failure to maintain staff morale, motivation and attitudes will adversely impact on service deliver/ performance and the ability to successfully deliver service transformation/ ESFRS change programme	1) Support middle and senior managers to ensure regular meetings and engagement with staff and to review feedback from managers. 2) Ensure staff representative bodies are engaged with and informed of emerging issues. 3) Continue to develop communication opportunities including where appropriate, social media.	4	2	8 (Moderate)  amber	CFO & CE	CMT

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**
Date: **15 May 2014**
Title: **2013/14 Key Task Areas and Corporate Projects – 4th quarter outturn results**
By: **Chief Fire Officer & Chief Executive**
Purpose of Report: **To present the 2013/14 4th quarter outturn results on our corporate Key Task Areas and Projects.**

RECOMMENDATION: The Panel is asked to note the corporate progress made at the end of 4th Quarter 2013/14 within the context of the other work priorities.

MAIN ISSUES

1. Since September 2011, the Corporate Management Team has reported progress on Key Task Areas (KTAs) and Corporate Projects through the Interplan system. Accordingly Appendix A, attached as a separate document, contains the 4th quarter results for 2013/14 at a strategic summary level.
2. Currently there are 22 projects (10 KTAs and 12 Corporate Projects). Of the 10 KTAs, 6 are either completed or progressing on or close to schedule and 4 are behind schedule.

Of the 12 Corporate Projects, 9 are either completed or progressing on or close to schedule and 3 are behind schedule.
3. The attached Appendix contains the Interplan system report, which is in a 'reader-friendly' format and with a colour code to identify whether KTAs/Projects are progressing to schedule. The column headed 'Target' shows the target expected at the end of the quarter, as profiled by the Project Manager, and the column headed 'Complete' shows the estimated completion against the target at the fourth quarter stage. The report also includes 'SMART' (Specific, Measurable, Achievable, Relevant and Timely) comments from the relevant Project Manager on the progress of each Project.
4. The Panel is asked to note the corporate progress made at the end of the 4th Quarter 2013/14 within the context of the other organisational work priorities being undertaken.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
22 April 2014

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**

Date: **15 May 2014**

Title of Report: **2012/13 Service Benchmarking Report**

By: **Chief Fire Officer & Chief Executive**

Purpose of report: **To present the Fire Statistics for 2012/13 and to benchmark ESFRS results against those of its family group.**

RECOMMENDATION: Members are asked to:

- i) Note the contents of the report, given the delay in publication; and
- ii) Indicate any areas they consider that the next Annual Benchmarking Report could focus upon.

MAIN ISSUES

1. The aim of this report is to provide Members with the results of an Annual Benchmarking Report that compares ESFRS to its peers, in particular, the thirteen Fire & Rescue Services (FRSs) that make up Family Group 2. These are FRSs deemed to be of similar size in terms of area and population.
2. The report is based on a new format in use by two other FRSs and presents an overview of the datasets available that allow comparisons between FRSs and the timeframes that they are published. It provides a number of comparisons of ESFRS against demographic information and current performance measures, as well as organisational resourcing.
3. It is the intention that the Benchmarking Report will be produced annually for the November meeting of the Scrutiny & Audit Panel after the national datasets are published in September. The DCLG datasets were released in December 2013, delayed from the usual September release date, due to internal restructuring within DCLG and, therefore, this report, in turn, has been delayed.
4. Members are asked to note that the report contains information as at 31 March 2013 and, as such, there have been a number of changes made, particularly in relation to staffing levels, such as the number of senior managers in Table 2.

5. This report will help us continue to learn how to keep improving our use of performance information, improve our understanding of why FRSs vary in terms of what we achieve for our communities and how effective service practices can be better shared. It is important to remember though that our family group does not have common service structures. Some are Combined Fire Authorities and some are still part of the County Council. Where this report has raised issues, e.g. in areas such as Health & Safety and the number of accidental dwelling fires, further work has been undertaken and dialogue has taken place to ensure that we are sharing best practice across Services.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
17 February 2014

List of Background Papers :Fire Statistics Monitor: England April 2012 to March 2013
<https://www.gov.uk/government/publications/fire-statistics-monitor-april-2012-to-march-2013>

1. **INTRODUCTION**

1.1 This benchmarking report provides comparator information across Family Group 2 and, in some instances, against all non-metropolitan FRSs and focussing on the following areas:

- Employee comparisons from the 'Operational Statistics bulletin for England: 2012-13'
- Station and appliance comparisons from the CIPFA annual statistics for 2012/13
- Health & Safety comparisons from the 'Operational Statistics bulletin for England: 2012-13'
- Incident comparisons from the 'Fire Statistic Monitor: England April 2012 to March 2013' and the 'Fire Incident Response Times: England, 2012-13'.

2. **NATIONAL/REGIONAL POSITION**

2.1 Nationally, the key areas of 2012/13 performance in *Operational Statistics* are as follows:

- Local authority FRSs attended 154,000 fires in England in 2012/13, a 31% reduction on the previous year.
- Outdoor fires accounted for half of fire incidents, 44% fewer than in 2011/12, in large part due to the above average rainfall in spring and summer 2012.
- There were 271 fire fatalities in England in 2012/13, 43 (14%) less than in 2011/12.
- 60% of all fire fatalities were in accidental dwelling fires (168 in 2012/13), 20 (11%) fewer than the 188 in 2011/12.
- In 2012/13 there were 3,830 non-fatal fire casualties (excluding first aid cases). These were 11% fewer than in 2011/12.
- In 2012/13, local authority FRSs attended 231,000 fire false alarms and 135,000 non-fire incidents, of which 28,000 were road traffic collisions and 18,000 were flooding incidents.

3. **CURRENT POSITION FOR ESFRS**

3.1 The key areas of 2012/13 performance in *Operational Statistics* identified above for ESFRS are as follows:

- ESFRS attended 2,155 fires in 2012/13, a 19% reduction on the previous year
- Outdoor fires accounted for 30% of fire incidents, 44% fewer than in 2011/12, in large part due to the above average rainfall in spring and summer 2012, mirroring the national trend.
- There were 4 fire fatalities in 2012/13, 60% less than in 2011/12 and 75% of the fire fatalities were in accidental dwelling fires.
- In 2012/13 there were 23% fewer non-fatal fire casualties than in 2011/12.
- In 2012/13, ESFRS attended 4,577 fire false alarms, 5% fewer than in 2012/13.

3.2 The attached report contains further detail in terms of comparisons with other Services.

4. **CONSULTATIONS**

4.1 None arising from this report.

5. **CROSS DIRECTORATE ISSUES CONSIDERED**

- 5.1 Prevention & Protection need to work closely with Response & Resilience to ensure that safety messages are reaching the vulnerable members of our community, especially in relation to accidental dwelling fires, as there was a 4% increase in 2012/13 against 2011/12, and over the extended period from 2001/02 ESFRS is now ranked 6th in Family Group 2, where the ranking in 2010/11 was 4th.
- 5.2 The production of the report has prompted discussions with Durham & Darlington FRS regarding their reduction in Accidental Dwelling Fires (ADFs) as they were the second highest FRS in 2001/02 and are now the third lowest in 2012/13. They have shared with us their approach to targeting their communities most at risk to ADFs as they have moved away from the national FSEC model and developed a model based on risk in wards. They have also increased the number of Home Safety Visits undertaken starting at 10,000 per annum, up to 12,000, then to 15,000 and the target for 2014/15 is 18,000. The detailed information has been shared with the Head of Community Risk Management and Director of Prevention & Protection for further investigation.

6. **HEALTH & SAFETY ISSUES**

- 6.1 As identified in the report, there is a regional benchmarking exercise being undertaken to establish what is included in the definition of an operational injury. ESFRS takes the view that every incident should be included but this is not true for all Services, who often exclude very minor incidents from the report, therefore making comparisons difficult. It has been acknowledged within our CFOA region (and can reasonably be assumed to be similar nationally) that there are clearly differences in the way accidents and injuries are categorised and recorded across Services. This issue is currently being addressed, with ESFRS taking the lead on the project, in an endeavour to provide standardised statistics.

7. **EQUALITY & DIVERSITY IMPLICATIONS**

- 7.1 Care has been taken to ensure that the report has no adverse impact on any group of people. The charts, graphs and tables have been formatted to try to ensure that they are easy to read by people who are colour-blind.

8. **IMPACT ASSESSMENTS CONSIDERED**

- 8.1 None arising from this report.

9. **POLITICAL ISSUES**

- 9.1 None arising from this report.

10. **ENVIRONMENTAL ISSUES**

- 10.1 None arising from this report.

11. **SOCIAL ISSUES**

11.1 None arising at this time.

12. **TECHNOLOGICAL ISSUES**

12.1 None arising from this report.

13. **LEGAL ISSUES**

13.1 None arising from this report.

14. **ECONOMIC ISSUES**

14.1 With the estimated cost to society of over £1.4m for each fire death it is vital that ESFRS's community safety programme ensures continuing awareness of our community.

15. **COMMUNICATION IMPLICATIONS**

15.1 None arising from this report.

16. **FINANCIAL IMPLICATIONS**

16.1 None arising from this report.

17. **SUMMARY**

17.1 The benchmarking report is in a new format from previous versions and enables the Panel to compare ESFRS against similar FRSs. The report is presented to Members, to note the content and to make recommendations on what they would like to see in future or additional reports.

18. **APPENDICES**

18.1 Appendix A is attached as a separate document for Panel Members only and contains the full set of results. (Copy on website or on request to the Clerk to the Authority.)

EAST SUSSEX FIRE AUTHORITY

Panel: Scrutiny & Audit
Date: 15 May 2014
Title: Internal Audit Review of Contracting and Procurement
By: Chief Fire Officer & Chief Executive
Purpose of Report: To inform Members of the findings and recommendations of the internal audit review of contracting and procurement and the management response.

RECOMMENDATION: The Panel is recommended to:

- i) note the internal audit report and
- ii) endorse the management response

MAIN ISSUES

1. An internal audit review of the Authority's procurement and contracting has given a minimal assurance opinion and identified weaknesses in control systems and compliance. A management response to address the recommendations has been agreed.
2. The Fire Authority has already approved a new Procurement Strategy which includes actions which will address the issues identified in the report.

Des Prichard
CHIEF FIRE OFFICER AND CHIEF EXECUTIVE
1 May 2014

Contact Officers:
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List of Reports
List of Background Papers
Procurement Strategy -

http://www.esfrs.org/document/pdf/fa/faMeetings/2014/february/14_02_CFA_Agenda_pt1.pdf

CLG / CFOA – Fire and rescue procurement aggregation and collaboration -
<https://www.gov.uk/government/publications/fire-and-rescue-procurement-aggregation-and-collaboration>

1. **INTRODUCTION**

- 1.1 A review of contracting and procurement was included in the Authority's internal audit plan for 2012/13 and the report was completed in March 2014. The review was commissioned following previous internal audit reviews of capital projects at Maresfield Training Centre (September 2006) and Lewes and Bexhill Fire Stations (September 2011) which identified control issues including weaknesses in procurement and contracting procedures and compliance issues within the Estates function.

2. **NATIONAL/REGIONAL POSITION**

- 2.1 The Department for Communities and Local Government (DCLG), in collaboration with the Chief Fire Officers' Association (CFOA), has recently published a research report into procurement across the fire sector which highlights the need for better aggregation and collaboration and the potential to deliver significant savings as a result. The findings and recommendations in the report, which CFOA is developing into a sector led strategy, are consistent with the direction of travel set out in the Authority's new Procurement Strategy. The Authority has already agreed to participate in the wider roll-out of a sector-led spend analysis initiative.

3. **CURRENT POSITION FOR ESFRS**

- 3.1 Following the previous internal audits referred to above the Authority put in place action plans to address the systems weaknesses and compliance issues identified. The main elements of these plans were:

- Contract Standing Orders were strengthened to address:
 - The process of selection of consultants and the expectations and contractual arrangements. This included the broader assessment of need, an adequate appraisal of the options available for meeting those needs, and the identification of the preferred procurement route.
 - The arrangements for the tender assessment process to ensure probity and accountability and avoid exposure to the risk of legal challenge. This included the potential for accusations of favouritism and bias.
 - The inclusion of an assessment of liquidated damages to be included in all contracts.
- A system of Project Boards and Stage-gate controls was established to ensure project control documents are prepared to incorporate procurement strategy and plans, together with full details of available budgets. Project Boards are established at the outset for all major corporate projects and appropriate officers appointed for the governance of individual projects and for ensuring adherence and authorising changes to the approved procurement strategy. The Strategic Finance Manager and the Procurement Manager provide procurement advice to the Project Boards.

- A new Procurement Manager was appointed in 2012 and has been supported to achieve a full professional procurement qualification through the Chartered Institute of Purchasing and Supply (CIPS).
 - Training on Corporate Governance for budget managers and administrators has been amended to include a greater focus on procurement and the Procurement Manager has engaged closely with key commissioners to provide support and advice on procurement matters.
- 3.2 These actions have delivered improved procurement practice especially in relation to major corporate projects, for example, the Sussex Control Centre Project and the refurbishment of Crowborough Fire Station, and this is acknowledged within the Internal Audit Report. However, it is clear from the findings in this report, which resulted in an opinion of “minimal assurance”, that further action is required to improve our procurement and contracting systems. .
- 3.3 At its meeting in February 2014 the Fire Authority approved a new Procurement Strategy which aims to support the organisation in tackling the financial and operational challenges which it faces through:
- A comprehensive analysis and understanding of the procurement spend
 - Agreement on the objectives
 - An understanding of and with a coherent approach to the supply management techniques to deliver those objectives and the prerequisites for their success
 - Professional procurement support that understands the needs of the business and supports the identification and delivery of savings
 - Clear accountability for compliance supported by effective training and performance management
 - Lean procedures and, as far as practicable, common processes
 - Efficient procurement systems that provide high quality procurement information & reporting to facilitate decision making

The new Strategy and its associated Improvement Plan will also address the recommendations made in the internal audit report.

- 3.4 A copy of the final internal audit report and the agreed management response is attached as Appendix A. A summary of the current position regarding those 13 suppliers referred to in recommendation 3 is attached as Appendix B.

4. **CONSULTATIONS**

- 4.1 Relevant staff were consulted as part of the audit process.

5. **CROSS DIRECTORATE ISSUES CONSIDERED**

5.1 The internal audit report considered procurement practice across the whole service, including the major commissioning areas of property and estates, IMD and engineering. Since the report was concluded, the Procurement, Contracts and Insurance Manager has conducted workshops with staff responsible for each of these major commissioning areas to establish their intended future procurement activity. This is now being collated into a forward procurement plan for the Authority which will be used to inform and plan the activities and resourcing of the Procurement Contracts and Insurance Team and our drive for improved compliance and procurement savings.

6. **HEALTH & SAFETY ISSUES**

6.1 There are no health and safety issues raised in the report. Good procurement practice should ensure that health and safety issues are taken into account in our procurement and contract management

7. **EQUALITY & DIVERSITY IMPLICATIONS**

7.1 There are no equality and diversity issues raised in the report. Good procurement practice should ensure that equality and diversity issues are taken into account in our procurement and contract management.

8. **IMPACT ASSESSMENTS CONSIDERED**

8.1 The audit report has considered the impact of the control issues identified in making recommendations for improvement.

9. **POLITICAL ISSUES**

9.1 Members will need to consider whether the management response to the audit report is appropriate.

10. **ENVIRONMENTAL ISSUES**

10.1 There are no environmental issues raised in the report. Good procurement practice should ensure that environmental issues are taken into account in our procurement and contract management.

11. **SOCIAL ISSUES**

11.1 There are no social issues raised in the report. Good procurement practice should ensure that social issues are taken into account in our procurement and contract management in line with the Public Services (Social Value) Act.

12. **TECHNOLOGICAL ISSUES**

12.1 Technology can play a role in supporting improvement in our procurement practice and this is reflected in the Procurement Strategy.

13. **LEGAL ISSUES**

- 13.1 Failure to comply with EU Directives and the Public Contract Regulations could potentially expose the Authority to the risk of legal challenge. Penalties for breach of the Regulations have been strengthened in recent years.

14. **ECONOMIC ISSUES**

- 14.1 There are no economic issues raised in the report. Good procurement practice should ensure that the Authority considers its impact on the local economy through its procurement policies and approach.

15. **COMMUNICATION IMPLICATIONS**

- 15.1 There are no immediate communication issues however, engagement with commissioners and the wider procurement community within the Authority will be an important element within the Procurement Strategy.

16. **FINANCIAL IMPLICATIONS**

- 16.1 There are no immediate financial implications from this report however the Procurement Strategy identified the need to invest up to £50,000 to support the delivery of its Improvement Plan and this will be funded from the Improvement and Efficiency Reserve. In addition there is a need for extra qualified procurement capacity within the Procurement, Contracts and Insurance Team on a fixed term basis to deal with the volume of work being identified through the Forward Procurement plan and this is being funded from within existing budgets.

17. **SUMMARY CONCLUSION**

- 17.1 The internal audit review of contracting and procurement has identified the need to make improvements in procurement and contracting. Officers have responded to the recommendations made and these are reflected in a new Procurement Strategy which was approved by Members at the Fire Authority in February 2014.

18. **APPENDICES**

- 18.1 The following appendices are attached:

Appendix A – Internal audit report and management response
Appendix B – Suppliers identified in R3 – current position