



**EAST SUSSEX FIRE AUTHORITY
SCRUTINY & AUDIT PANEL**

THURSDAY 13 NOVEMBER 2014 at 11.30 hours

or at the conclusion of the Policy & Resources Panel meeting, whichever is the later.

MEMBERS

East Sussex County Council

Councillors Buchanan, Galley, Lambert, Taylor and Wincott.

Brighton and Hove City Council

Councillors Carden, Deane and Peltzer Dunn.

You are requested to attend this meeting to be held at East Sussex Fire & Rescue Service Headquarters, 20 Upperton Road, Eastbourne, at 11.30 hours.

AGENDA

Item No.	Page No.
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933.	1.	In relation to matters on the agenda, seek declarations of any disclosable pecuniary interests under Section 30 of the Localism Act 2011.
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934.	1.	Apologies for absence.
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935.	1.	Notification of items which the Chair considers urgent and proposes to take at the end of the agenda / Chair's business items.
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(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).

936.	3.	Non-confidential Minutes of the last Scrutiny & Audit Panel meeting held on 18 September 2014 (copy attached).
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937.	1.	Callover
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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.

- 938. 9. Annual Audit Letter 2013/14 – joint report of the Chief Fire Officer & Chief Executive and Treasurer (copy attached).
- 939. 11. 2014/15 2nd Quarter Performance Results – report of the Chief Fire Officer & Chief Executive (copy attached).
- 940. 23. 2014/15 2nd Quarter Corporate Projects – outturn results – report of the Chief Fire Officer & Chief Executive (copy attached).
- 941. 25. 2014/15 2nd Quarter Corporate Risk Register Review – joint report of the Chief Fire Officer & Chief Executive and Treasurer (copy attached).
- 942. 27. Procurement Update – report of the Chief Fire Officer & Chief Executive (copy attached).
- 943. 45. 2013/14 Service Benchmarking – report of the Chief Fire Officer & Chief Executive (copy attached).
- 944. 51. Operational Assessment and Fire Peer Challenge Action Plan – report of the Chief Fire Officer & Chief Executive (copy attached).
- 945. 61. CIPFA Audit Committee guidance – joint report of the Chief Fire Officer & Chief Executive, Monitoring Officer and Treasurer (copy attached).

- 946. 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.

- 947. 69. Confidential Minutes of the last Scrutiny & Audit Panel meeting held on 11 September 2014 (copy attached). (Exempt categories under paragraphs 1, 3 and 7 of the Local Government Act 1972).
- 948. 73. IMD Investigation Update – confidential report of the Chief Fire Officer & Chief Executive (copy attached). (Exempt category under paragraph 3 of the Local Government Act 1972).
- 949. 89. Sussex Control Centre (SCC) Accommodation Review – joint confidential report of the Chief Fire Officer & Chief Executive and Treasurer (copy attached). (Exempt category under paragraph 3 of the Local Government Act 1972).

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

Agenda Item No. 936

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 18 September 2014.

Members Present: Councillors Buchanan, Carden, Deane, Galley, Lambert (Chair), Peltzer Dunn and Taylor.

Also present: Councillor Barnes.

Also present:

Mr. D Prichard (Chief Fire Officer & Chief Executive), Mrs. C. Rolph (Assistant Chief Officer), Ms. L. Woodley (Deputy Monitoring Officer), Mr. D. Savage (Treasurer), Mr. W. Tricker (Head of Procurement & Finance), Mrs. L. Ridley (Head of Performance Management), Mr. J. Salmon (Estates Manager), Mr. P. King (Ernst & Young Auditors), Mr. I. Young (Ernst & Young Auditors), Mr. K. McGrath (Ernst & Young Auditors), Mr. R. Sutton (Business Services ESCC), and Mrs. S. Klein (Clerk).

916. **DISCLOSABLE PECUNIARY INTERESTS**

916.1 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.

917. **APOLOGIES FOR ABSENCE**

917.1 An apology for absence was received from Councillor Wincott and Members joined the Chair in sending him their good wishes for his recovery. Apologies for absence were also received from Mr. Walsh and Mr. Ferrand.

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

918.1 There were no urgent items for consideration.

918.2 The Chair informed Members of ACFO Ferrand's national award given by the Chief Fire Officers' Association for his work on protection, prevention and road safety – this was wonderful recognition for both ACFO Ferrand and ESFRS as a whole and Members passed on their congratulations.

918.3 The Chair welcomed Paul King, Ian Young and Kris McGrath from Ernst & Young, the Fire Authority's external auditors, and Ross Sutton, from Business Services, ESCC, to the meeting.

918.4 Councillor Barnes was also welcomed to the meeting, to present the Annual Outturn Report on Environmental issues, supported by Julian Salmon, Estates Manager.

919. **NON-CONFIDENTIAL MINUTES OF THE LAST SCRUTINY AND AUDIT PANEL MEETING HELD ON 11 JULY 2014**

919.1 **RESOLVED** – That the non-confidential minutes of the meeting of the Scrutiny & Audit Panel held on 11 July 2014 be approved as a correct record and signed by the Chair. (Copy in Minute Book).

920. **CALLOVER**

920.1 Members reserved the following items for debate:

921. 2013/14 External Auditor's Audit Report and Statement of Accounts

923. 2013/14 Environmental Issues – Annual Outturn

924. 2013/14 Fatal Accidental Fire Review

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

921. **2013/14 EXTERNAL AUDITOR'S AUDIT REPORT AND STATEMENT OF ACCOUNTS**

921.1 Members considered a joint report of the Chief Fire Officer & Chief Executive and the Treasurer that presented the External Auditor's Results (ISA 260) and reported an unqualified opinion on the Authority's 2013/14 Statement of Accounts. (Copy in Minute Book).

921.2 The Chair welcomed the Auditors to the meeting and Paul King introduced his colleagues, Ian Young and Kris McGrath. Mr. King confirmed that the replacement pages 10 and 11 of the Statement of Accounts would be signed and dated when the Accounts are issued and reported on behalf of the Fire Authority.

921.3 Mr. King talked through the Audit Results Report ISA 260 and confirmed that the Auditors were able to issue an unqualified opinion on the financial statements, with very few matters to communicate, and that the Authority had prepared its financial statements adequately.

921.4 The previously identified issue from 2012/13, reported in confidential session, had been considered, and Mr. King also confirmed that all areas of the work programme had been completed. The Whole of Government Accounts work had also now been concluded and the appropriate submission made to the National Audit Office. The Chair thanked Mr. King and confirmed that she would be meeting with the Treasurer, Assistant Chief Officer and Deputy Monitoring Officer following the meeting to discuss the recent CIPFA guidance and how this would benefit the future work of the Panel.

921.5 Mr. Savage explained that the submission of the Accounts and the related work was done in partnership with Business Services at ESCC, led by Ross Sutton, and he thanked him for his work.

- 921.6 Councillor Deane was pleased to receive an unqualified opinion on such a complex issue as the Statement of Accounts and the Chair echoed this.
- 921.7 The CFO&CE drew Members' attention to Criteria 2 of the arrangements for securing economy, efficiency and effectiveness which stated that the changes agreed by the Fire Authority under the Medium Term Financial Plan (MTFP) must be implemented in order to reduce the funding gap from £7.1m to £1.7m by 2019/20. This also included the establishment of the Service Transformation Team, as approved by the Fire Authority on 11 September 2014. The CFO&CE reminded Members that these had not been unanimously agreed by the Fire Authority and that, by continuing to lobby for the changes to be overturned, some Members and representative bodies were sending the message to staff that the Fire Authority was not committed to delivering the MTFP.
- 921.8 Councillor Peltzer Dunn was one who had voted against the cuts in the MTFP but explained that he was not lobbying to have these overturned – the decision had been arrived at democratically and he accepted that decision.
- 921.9 Councillor Galley congratulated the Treasurer and his team on their achievements but felt that, with an underspend on the budget and an increase in Reserves to almost £14m (against a revenue budget of £38m) there were no grounds for the public to pay an increase in their council tax. He felt that the Fire Authority is a politically divided body, with some Members having different views and visions, but the majority understood that the savings had to be made; incidents attended in the previous year had gone down and the case for reforms was rock solid.
- 921.10 **RESOLVED** – That
- (i) the External Auditor's Audit Report (ISA 260) be noted;
 - (ii) the Treasurer be authorised to sign the formal letter of representation to the External Auditor; and
 - (iii) the Statement of Accounts, as amended by the substitution of revised pages 10 and 11, be approved for publication.
922. **2013/14 REVIEW OF PROGRESS WITH PARTNERSHIPS**
- 922.1 Members had considered a report of the Chief Fire Officer & Chief Executive that advised them of the outcome of the review of partnerships completed for 2013/14 and other changes affecting partnerships. (Copy in Minute Book).
- 922.2 **RESOLVED** – That the report be noted.
923. **2013/14 ENVIRONMENTAL ISSUES – ANNUAL OUTTURN**
- 923.1 Members considered a report presented by Councillor Barnes, the Member Lead for Service Support, which advised them of the activities to reduce energy consumption. (Copy in Minute Book).

- 923.2 The target to reduce CO2 emissions by 3.5% had been exceeded, along with subsequent cost reductions, and these were achieved relatively painlessly, e.g. by using 'grey' paper, and setting printers' defaults to double-sided printing. There were a few problem areas, e.g. with changes to ways of measuring, such as the Disposable Energy Certificate; and three Service sites – Eastbourne Fire Station, the Service Training Centre and Headquarters.
- 923.3 There were, however, success stories, such as the new fire station which had opened at Crowborough, making use of solar energy and LED lighting, and the new fire station which would be built at Newhaven. A lot of work was also being undertaken on light transport and the use of pool vehicles, and carbon reduction and achieving savings.
- 923.4 The Chair thanked Councillor Barnes for his input into this area and Councillor Barnes thanked ACFO Ferrand and Mr. Salmon for their work.
- 923.5 **RESOLVED** – That the outturn for 2013/14 and the related improvements since the last annual update be noted.
924. **2013/14 – FATAL ACCIDENTAL FIRE REVIEW**
- 924.1 Members considered a report of the Chief Fire Officer & Chief Executive that set out details of the fatal accidental fires in East Sussex which had occurred during 2013/14. (Copy in Minute Book).
- 924.2 Councillor Galley asked the CFO&CE for a definition of 'vulnerable' people. Two people who were reported to have died while smoking were using oxygen. He also wanted to understand the role of the Service in healthy eating initiatives and targeting poor diet and obesity, which he felt was not a core activity of the Fire & Rescue Service. The CFO&CE explained that 'vulnerable' people included the more elderly, those with a lifetime limiting illness, those dependent on drink or drugs, single parents, the elderly living alone, and those living in houses of multiple occupation. A target had been agreed by the Fire Authority to make Home Safety Visits and fit smoke alarms in 10,000 homes each year – to ensure that the most vulnerable are reached, a target of 90% being vulnerable people was agreed, and this left some flexibility for other ad hoc but worthy requests, which might not fall within this definition; the definition of 'vulnerability' was under constant review. The CFO&CE also explained that obesity was costing the country a large amount and that this risk area was associated with accidental dwelling fires and a variety of health problems – as part of the Service's protection, prevention and response responsibilities, our volunteers were helping with initiatives to support health and well-being across local communities.
- 924.3 Councillor Deane was heartened to see the long term holistic approach being taken by ESFRS and the CFO&CE thanked Councillor Galley for raising a very relevant point – it was important that the Service does not try to do too much, and Members needed to hold him to account.

- 924.4 **RESOLVED** – That the report and the following be noted:
- (i) that all future fire deaths and fires involving serious injuries continue to be fully profiled to enable the better targeting of vulnerable individuals and groups; and
 - (ii) that the Community Risk Management Team continues to engage in partnership activity that reduces the risk to vulnerable people in the community.

925. **2013/14 ANNUAL STATEMENT OF OPERATIONAL ASSURANCE**

925.1 Members considered a report of the Chief Fire Officer & Chief Executive that presented the Statement of Operational Assurance for the Panel's approval. (Copy in Minute Book).

925.2 **RESOLVED** – That the East Sussex Fire & Rescue Service's Statement of Operational Assurance be approved.

926. **2014/15 1ST QUARTER PERFORMANCE RESULTS**

926.1 Members considered a report of the Chief Fire Officer & Chief Executive that presented the first quarter performance indicator results for 2014/15. (Copy in Minute Book).

926.2 **RESOLVED** – That

- (i) the 2014/15 performance results for Quarter 1 as set out in the report to the Panel and Appendix A to the report, be noted; and
- (ii) the information included within the exceptions report set out in Appendix B be noted.

927. **2014/15 1ST QUARTER OUTTURN RESULTS – CORPORATE PROJECTS**

927.1 Members considered a report of the Chief Fire Officer & Chief Executive that presented the 2014/15 first quarter outturn results on the corporate projects. (Copy in Minute Book).

927.2 **RESOLVED** – That the corporate progress made at the end of the first quarter 2014/15 within the content of the other work priorities be noted.

928. **2014/15 1ST QUARTER CORPORATE RISK REGISTER REVIEW**

928.1 Members considered a joint report of the Chief Fire Officer & Chief Executive and the Treasurer that set out the latest quarterly review of the corporate risk. (Copy in Minute Book).

928.2 **RESOLVED** – That the latest corporate risk register be approved.

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

929.1 **RESOLVED** – That items nos. 930, 931 and 932 be exempt under paragraphs 1, 3 and 7 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 and accordingly are not open for public inspection on the grounds that they include information relating to the matters indicated below:

Item 930 paragraphs 3 and 7 – information relating to the financial or business affairs of any particular person (including the authority holding that information), and information relating any action taken or to be taken in connection with the prevention, investigation and prosecution of crime.

Item 931 paragraphs 1 and 3 – information relating to an individual and information relating to the financial or business affairs of any particular person (including the authority holding that information),

Item 932 paragraph 3 – information relating to the financial or business affairs of any particular person (including the authority holding that information),

The meeting concluded at 11:15 hours.

Signed

Chair

Dated this

day of

2014

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**

Date: **13 November 2014**

Title of Report: **Annual Audit Letter 2013/14**

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

Purpose of Report: **To consider and approve, on behalf of the Fire Authority, the recently published Annual Audit Letter 2013/14.**

RECOMMENDATION: The Panel is asked to consider and approve, on behalf of the Fire Authority, the recently published Annual Audit Letter 2013/14, set out as Appendix A to this report.

MAIN ISSUES

The Authority's external auditors, Ernst & Young, have recently published the Annual Audit Letter 2013/14 relating to East Sussex Fire Authority which is attached as Appendix A to this report and is also available on the website.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE

Duncan Savage
TREASURER

21 October 2014

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**

Date: **13 November 2014**

Title of Report: **2014/15 2nd Quarter Performance Results**

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

Purpose of report: **To present the second quarter performance indicator results for 2014/15.**

RECOMMENDATION: The Panel is asked to:

- i. note the 2014/15 performance indicator results for Quarter 2 as set out in the report and Appendix A; and
 - ii. consider the information included within the exceptions report set out as Appendix B.
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MAIN ISSUES

1. This report contains the Quarter 2 performance indicator results for 2014/15, compared with the results for the same quarter in 2013/14.
2. The format from the Annual Performance Outcome report for 2013/14 has now been replicated in this report for consistency as this layout was well received by the Scrutiny & Audit Panel in September 2014. This report now shows the Service's performance against the same quarter in the previous year and a projected year end result. An exception report will be issued for all areas that fail to meet the target and are showing a declining performance against the previous year.
3. The Fire Authority has five priority areas:
 - Percentage of Home Safety Visits (HSVs) to the vulnerable members of our community
 - Number of accidental fires in dwellings
 - Percentage of accidental dwelling fires confined to room of origin
 - Percentage reduction of automatic fire alarms
 - Number of working days/shifts lost due to sickness absence for all staff
4. In terms of the overall performance for 2014/15, of the Fire Authority's priority areas, four are on target and one is within 10% of the target. The performance outcome summary is set out in Appendix A, with an exceptions report set out as Appendix B.

5. The Panel is reminded that our strategic performance indicator targets continue to exceed performance improvement across the entire Service. However, in many areas, it is also accepted that both the rate and scope of future improvement is slowing, and some of our targets for 2014/15 and the future trends reflect this position. In some areas, performance improvement will prove ever harder to achieve without smarter targeting of risk and community need. This is where the Service is striving to ensure all available information and tools at our disposal achieve even tighter targeting of services to the most vulnerable in our local communities in future years.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
17 October 2014





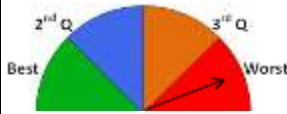

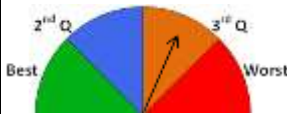


East Sussex Fire & Rescue Service

East Sussex Fire & Rescue Service Performance Results Quarter 2 2014/15

OCTOBER 2014

Strategic Aim 1 - To deliver quality services within available resources

1.1 Prevent loss of life and injuries in our communities

Indicator No.	How will we measure performance?	2013/14 Quarter 2	National Quartile Position 2013/14	2014/15 Quarter 2	2014/15 Projected year end result	Target	Target met	Direction of travel from 2013/14 Quarter 2 result
1 Priority	% of Home Safety Visits to vulnerable people	88.0%	This is an ESFRS indicator only, no National data is available for comparison	89.1%	90.0%	90.0%	Yes	Improved
7	Home Safety Visits	2,698		2,234	8,549	10,000	No	Declined
36	% of fires in dwellings with no smoke alarm	23.4%	This is an ESFRS indicator only, no National data is available for comparison	23.9%	23.9%	32.0%	Yes	Declined
9	Number of deaths in primary fires	0		0	0	0	Yes	Stayed the same
11	Deaths in Accidental Dwelling Fires	0		0	0	0	Yes	Stayed the same
10	Number of injuries in primary fires	9		12	52	52	Yes	Declined
12	Injuries in Accidental Dwelling Fires	8		7	34	37	Yes	Improved
2 Priority	No of accidental dwelling fires	127		138	489	534	Yes	Declined
8	Number of primary fires	312		321	1,184	1,244	Yes	Declined

Indicator No.	How will we measure performance?	2013/14 Quarter 2	National Quartile Position 2013/14	2014/15 Quarter 2	2014/15 Projected year end result	Target	Target met	Direction of travel from 2013/14 Quarter 2 result
13a	Deliberate primary fires not in vehicles	43		48	178	188	Yes	Declined
13b	Deliberate primary fires in vehicles	32		23	108	154	Yes	Improved
14	Deliberate secondary fires	188		143	530	590	Yes	Improved
4a Priority	A reduction of automatic fire alarms (AFA) from the base year result of 2009/10	-34.5%	This is an ESFRS indicator only, no National data is available for comparison	-44.6%	-44.0%	-32.0%	Yes	Improved
4b	% of AFA calls challenged by ESFRS	11.2%	This is an ESFRS indicator only, no National data is available for comparison	18.5%	15.0%	Monitor only	Monitor only	Improved
4c	% of AFA calls turned back by ESFRS	4.3%	This is an ESFRS indicator only, no National data is available for comparison	8.9%	8.0%	Monitor only	Monitor only	Improved
4d	% of AFA mobilised calls to properties covered by the RRO that were classified as a primary fire	2.1%	This is an ESFRS indicator only, no National data is available for comparison	3.0%	3.3%	Monitor only	Monitor only	Declined

1.2 Protect our communities against economic, property or heritage loss

Indicator No.	How will we measure performance?	2013/14 Quarter 2	National Quartile Position 2013/14	2014/15 Quarter 2	2014/15 Projected year end result	Target	Target met	Direction of travel from 2013/14 Quarter 2 result
15	No of fires in non-domestic properties	42		49	162	176	Yes	Declined
16	Inspections of high risk premises completed	94		96	436	480	No	Improved

1.3 Respond effectively and safely to incidents with appropriate planned resources

Indicator No.	How will we measure performance?	2013/14 Quarter 2	National Quartile Position 2013/14	2014/15 Quarter 2	2014/15 Projected year end result	Target	Target met	Direction of travel from 2013/14 Quarter 2 result
3 Priority	% of accidental dwelling fires confined to room of origin	88.2%	This is an ESFRS indicator only, no National data is available for comparison	91.7%	90.3%	94.0%	No	Improved
18	% of Life Threatening Incidents (LTIs) attended by 1st appliance within 8 minutes	71.5%	This is an ESFRS indicator only, no National data is available for comparison	64.5%	67.8%	60.0%	Yes	Declined
19	% of LTIs attended by 1st appliance within 13 minutes	94.3%	This is an ESFRS indicator only, no National data is available for comparison	91.7%	93.8%	90.0%	Yes	Declined
20	% of LTIs attended by 2nd appliance within 8 minutes	51.4%	This is an ESFRS indicator only, no National data is available for comparison	43.0%	46.0%	50.0%	No	Declined
21	% of LTIs attended by 2nd appliance within 13 minutes	83.9%	This is an ESFRS indicator only, no National data is available for comparison	75.3%	81.0%	80.0%	Yes	Declined
22	% of incidents attended within 20 minutes	98.8%	This is an ESFRS indicator only, no National data is available for comparison	98.2%	99.0%	95.0%	Yes	Declined
23	% of LTIs attended by a minimum of 8 crew within 8 minutes	51.6%	This is an ESFRS indicator only, no National data is available for comparison	43.1%	46.3%	50.0%	No	Declined
24	% of LTIs attended by a minimum of 8 crew within 13 minutes	83.9%	This is an ESFRS indicator only, no National data is available for comparison	75.3%	81.1%	80.0%	Yes	Declined

1.4 Deliver cost effective services, which focus on community risk and customer needs at a price the local community can afford and within available resources

Indicator No.	How will we measure performance?	2013/14 Quarter 2	National Quartile Position 2013/14	2014/15 Quarter 2	2014/15 Projected year end result	Target	Target met	Direction of travel from 2013/14 Quarter 2 result
6	Expenditure per head of the population	£49.06	This is an ESFRS indicator only, no National data is available for comparison	Annual	Annual	£48.05	Annual	Annual
34	To achieve a 3.5% reduction in CO2 emissions against 2010/11	13.33%	This is an ESFRS indicator only, no National data is available for comparison	Annual	Annual	14.00%	Annual	Annual
	Percentage of people satisfied with the service received during the 999 call	99%	This is an ESFRS indicator only, no National data is available for comparison	Annual	Annual	Monitor only	Annual	Annual
	Percentage of people satisfied with the service received at the scene of the incident	99%	This is an ESFRS indicator only, no National data is available for comparison	Annual	Annual	Monitor only	Annual	Annual

Strategic Aim 2 - Ensure a competent, diverse, safe and valued workforce

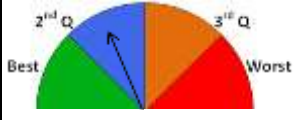
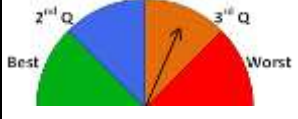


2.1 Embed and embrace equality and diversity principles in all that we do

Indicator No.	How will we measure performance?	2013/14 Quarter 2	National Quartile Position 2013/14	2014/15 Quarter 2	2014/15 Projected year end result	Target	Target met	Direction of travel from 2013/14 Quarter 2 result
24	Achievement of excellence in the Equality Standard in Local	Excellent	This is an ESFRS indicator only, no National data is available for comparison	Annual	Annual	Monitor only	Annual	Annual
26	Retained (RDS) female firefighters as new entrants	5.6%	This is an ESFRS indicator only, no National data is available for comparison	Annual	Annual	15.0%	Annual	Annual
27	Minority ethnic staff as new entrants to the FRS	3.6%	This is an ESFRS indicator only, no National data is available for comparison	Annual	Annual	3.5%	Annual	Annual
28	Disabled employees as new entrants to the FRS	3.6%	This is an ESFRS indicator only, no National data is available for comparison	Annual	Annual	5.0%	Annual	Annual

2.2 Attract and retain high caliber and committed staff, and help them develop professional skills and competence to meet our business needs

Indicator No.	How will we measure performance?	2013/14 Quarter 2	National Quartile Position 2013/14	2014/15 Quarter 2	2014/15 Projected year end result	Target	Target met	Direction of travel from 2013/14 Quarter 2 result
To be developed	Increase in confident rates at managerial levels		This is an ESFRS indicator only, no National data is available for comparison					To be developed
To be developed	Firefighters maintaining operational competence		This is an ESFRS indicator only, no National data is available for comparison					To be developed
To be developed	Number of operational staff completing development programmes		This is an ESFRS indicator only, no National data is available for comparison					To be developed

2.3 Maintain and improve the standards of health, safety and welfare of our staff and provide a safe and secure workplace

Indicator No.	How will we measure performance?	2013/14 Quarter 2	National Quartile Position 2013/14	2014/15 Quarter 2	2014/15 Projected year end result	Target	Target met	Direction of travel from 2013/14 Quarter 2 result
5 Priority	The number of working days/shifts lost due to sickness	2.4	This is an ESFRS indicator only, no National data is available for comparison	2.1	7	7.5	Yes	Improved
29	Number of RIDDOR incidents	3	 A semi-circular chart divided into four quadrants: Best (green, 1st Q), 2nd Q (blue), 3rd Q (orange), and Worst (red). An arrow points from the center towards the 2nd Q (blue) section.	2	8	12	Yes	Improved
	Number of injuries sustained by Wholetime and Retained firefighters during operational activities	Annual	 A semi-circular chart divided into four quadrants: Best (green, 1st Q), 2nd Q (blue), 3rd Q (orange), and Worst (red). An arrow points from the center towards the 3rd Q (orange) section.	Annual	Annual	Monitor only	Annual	Annual
	Total number of injuries sustained by Wholetime and RDS firefighters during training activities	Annual	 A semi-circular chart divided into four quadrants: Best (green, 1st Q), 2nd Q (blue), 3rd Q (orange), and Worst (red). An arrow points from the center towards the 3rd Q (orange) section.	Annual	Annual	Monitor only	Annual	Annual
30	Number of workplace reported accidents / injuries	34	 A semi-circular chart divided into four quadrants: Best (green, 1st Q), 2nd Q (blue), 3rd Q (orange), and Worst (red). An arrow points from the center towards the 3rd Q (orange) section.	24	110	124	Yes	Improved

EXCEPTIONS REPORT – QUARTER 2 2014/15

Indicator	Commentary	Actions to be taken	Responsible Officer
7. Home Safety Visits	2,234 Home safety visits were completed in quarter 2 2014/15; this is against a target of 2,500. The projected year end result is 8,549, this is 1,451 below the annual target	A drop in the number of referrals has caused a reduction in the number of visits carried out. This has been addressed through the central Community Safety Team and within the Boroughs who have been proactive in generating referrals. Further measures are being considered with the Director of Response & Resilience and the Head of Community Risk Management.	Director of Response and Resilience
20. Percentage of life threatening incidents (LTIs) attended by 2nd appliance within 8 minutes	43.1% of LTIs were attended within 8 minutes by the second appliance, this is against a target of 50%	Further analysis has been requested from the Performance Management Team in conjunction with the Borough Commanders to investigate the downturn in performance. Once this exercise is completed, a course of action can be considered.	Director of Response and Resilience
23. Percentage of LTIs attended by a minimum of 8 crew within 8 minutes	43.0% of LTIs were attended within 8 minutes by the second appliance, this is against a target of 50%	Please see the comments above.	Director of Response and Resilience

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**
Date: **13 November 2014**
Title: **2014/15 2nd Quarter Corporate Projects – outturn results**
By: **Chief Fire Officer & Chief Executive**
Purpose of Report: **To present the 2014/15 2nd quarter outturn results on the Corporate Projects.**

RECOMMENDATION: The Panel is asked to note the progress on the corporate projects made at the end of 2nd Quarter 2014/15, within the context of the other work priorities.

MAIN ISSUES

1. Since September 2011, the Corporate Management Team has reported progress on Corporate Projects through the Interplan system. Accordingly Appendix A, attached as a separate document, contains the 2nd quarter results for 2014/15 at a strategic summary level.
2. Currently there are 15 Corporate Projects. Nine are progressing on, or close to, schedule (Procurement-Cards, Geographic Information System Local, Joint Emergency Services Interoperability Programme, Business Intelligence, Replacement Respiratory Protective Equipment and Radios, Customer Relations Management Database, Hydrant Management, Service Transformation, Newhaven). Three are amber (Mobile Data Terminals, Sussex Control Centre, Data Warehouse) and three projects are behind schedule (Firewatch Phase 1, Geographic Information System Sussex Control and Information Management Transformation).
3. The attached Appendix contains the Interplan system report, which is colour coded to identify whether Corporate Projects are progressing to schedule. The column headed 'Target' shows the target expected at the end of the quarter, as profiled by the relevant Project Manager, and the column headed 'Complete' shows the estimated completion against the target at the first 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 progress on the corporate projects made at the end of 2nd Quarter 2014/15, within the context of the other work priorities being undertaken.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
1 November 2014

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**
Date: **13 November 2014**
Title: **2014/15 2nd Quarter Corporate Risk Register Review**
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 and note the Internal Audit opinion of substantial assurance.

MAIN ISSUES

1. Reviews of corporate risks take place on a quarterly basis. The latest series of meetings with Corporate Risk Owners was carried out during September 2014 to update risk management action plans and review the position of each risk as shown at Appendix C.
2. 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 (Appendix A)
 - 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
 - Adds real value to the business impact on strategic direction
3. The Authority has in place established procedures for ensuring that risks are identified and managed for all corporate projects. All high risks identified in these Project RAID logs are now collated and reported to CMT to allow any themes to be identified and risks to be escalated to the corporate risk log as necessary. At Appendix D is a summary of the Project RAID Log for all risks scored 6 or above, these are assessed against a 3x3 scoring matrix as shown in Appendix B. There are links from these high scoring project risks to existing Corporate Risks 2, 3 and 5. No additional themes or issues for escalation to the Corporate Risk Register have been identified.

4. The initial draft internal audit review of risk management arrangements has been received with the audit opinion of Substantial Assurance; the recommendations are due to be discussed with officers during October and should assist the Authority in further developing its risk management arrangements both at corporate level and below and refreshing the existing Risk Management Strategy.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
10 October 2014

Duncan Savage
TREASURER

EAST SUSSEX FIRE & RESCUE AUTHORITY

Panel **Scrutiny & Audit**
Date: **13 November 2014**
Title: **Procurement Update**
By: **Chief Fire Officer & Chief Executive**
Purpose of Report: **To update Members on changes in the arrangements and procedures for the procurement of goods and services, including progress made implementing the recommendations of the internal audit review of contracting and procurement.**

RECOMMENDATION: The Panel is asked to note the progress made.

MAIN ISSUES

1. Members asked for an update on progress in changes being implemented in the arrangements for procurement within the Service, including action on recommendations made in an internal audit review of the Authority's procurement and contracting.
2. The Fire Authority has already approved a new Procurement Strategy, and a Procurement Improvement Board has been established to oversee the implementation of a Procurement Improvement Plan that is addressing the issues identified in the Audit report.
3. Actions have been taken against all the recommendations in the Audit report, however, to imbed fully the compliance and improvement benefits from revised procurement practices will require a longer timescale. A procurement specialist has been employed on a fixed term contract to assist and it is expected that further resources will be required.
4. A follow-up audit has been included in the 2014/15 Internal Audit Plan and the audit has now commenced.

Des Prichard

CHIEF FIRE OFFICER AND CHIEF EXECUTIVE

14 October 2014

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 gave a minimal assurance opinion as was duly reported to the Scrutiny & Audit Panel in May 2014. The report recognised the retrospective nature of the data used and the progress that had already been made by the Service. The management response was endorsed and Members requested an update of progress made to be reported back to the Panel.
- 1.2 Separately, a review of procurement at ESFRS was completed, with external assistance, in October 2013. The review concluded with a Procurement Improvement Plan, a programme of work streams to improve procurement and achieve the outcomes recommended in the Audit.

2. **NATIONAL/REGIONAL POSITION**

- 2.1 There is consensus that commissioning and procurement play an important part in the drive to efficiencies and savings. The Department for Communities and Local Government (CLG) in collaboration with the Chief Fire Officers Association (CFOA) has 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 has developed into a sector led 'back office' strategy, are consistent with the direction of travel set out in the Authority's new Procurement Strategy.
- 2.2 Transparency over the procurement process and demonstration of best practice and value for money are both seen as key ways to respond to the questions asked of the Fire Service by Central Government. Nationally there is recognition of the need to raise the profile of Procurement. Strong internal relationships across the functions allow Procurement to work effectively to achieve the best specification and price. This is seen as a natural precursor to greater working between Fire Authorities. There is also recognition that procurement does not end after the purchase, but is a continuous management process, to ensure that the Service receives exactly what has been procured.

3. **CURRENT POSITION FOR ESFRS**

- 3.1 A number of actions had already been taken to address weaknesses and compliance issues. The main elements of these plans were to strengthen Contract Standing Orders, the introduction of Project Boards and stage-gate controls, the appointment of a fully qualified procurement professional (CIPS) and a revised training programme for budget managers and administrators to include a greater focus on procurement; the Procurement Manager has engaged closely with key commissioners to provide support and advice on procurement matters.
- 3.2 Of the 12 Audit report recommendations 5 are considered to have been satisfied, and 7 part-satisfied. However, to see genuine embedded improvements in procurement, all the recommendations are being taken further in the spirit in which they were made. The profile of procurement has been raised and staff are keen to make the improvements necessary. Whilst immediate remedial action was taken to mitigate risk and satisfy the recommendations, there is recognition that this should be the platform from which to reframe Procurement within ESFRS, so that its activities align with the organisation's corporate strategy. Forward planning and proactively supporting internal customers will enable them to manage their requirements in a manner that demonstrably improves value for money and compliance. The work streams that form the basis of the Procurement Improvement Programme will enable changes to be made to ways of working that will embed best and robust working practices in the longer term.
- 3.3 6 of the 12 recommendations relate to procedural or documentation. 3 recommendations – the Procurement Strategy, Contracts Register and contract spend compliance – have satisfied the Audit action. Of the 3 that have partially satisfied, a Category Spend analysis has been completed but has not been embedded in the financial system. Officers have been reminded of the importance and given guidance and support on Procurement Record Keeping and on Contract formalities but the implementation of an e-tendering system and a central repository will not be completed until December 2014.
- 3.4 5 of the 12 recommendations are process related with 1 – Contract Procurement Strategy – satisfied and 4 part-satisfied. For those that are part complete actions have been taken such as regular meetings with the Procurement Team and key commissioners, issue of guidance and consultation on revised working procedures. The Procurement Manager has reminded officers of the importance of completing and keeping key documents through regular meetings with key officers.
- 3.5 A table showing progress made against the internal audit report is attached as Appendix A.

- 3.6 The final recommendation referred to 13 suppliers where the audit identified specific compliance issues regarding selection, contractual arrangements and possible breach of European Union Directives. A significant number had no payments since the audit finished, others required a risk analysis and remedial action was taken. The financial system allows accounts to be frozen where appropriate, ensuring no further payments have been made. A summary of the current position regarding those 13 suppliers is attached as Appendix B.
- 3.7 The procurement arrangements were the subject of a major review in October 2013. 17 action points were identified and these have been divided into a number of strands of work which will run as interlinked projects. A Procurement Improvement Board, consisting of cross-directorate members, with key commissioners represented, has been established to oversee these projects and a Procurement Improvement Plan has been devised to make the necessary improvements in the way procurement is delivered at ESFRS. The first outcome is a wholly new Procurement Strategy, approved by the Authority in February 2014.
- 3.8 The Procurement Improvement Plan gives an overall programme of improvement including procedural changes such as procurement cards, e-tendering solutions and use of the financial systems as well as the provision of documentation, advice and guidance. A table showing the Procurement Action Plan work-streams and corresponding action points can be seen in Appendix C.
- 3.9 As a result of the poor outcome of the audit and the large number of recommendations a follow up audit has been included in the 2014/15 Internal Audit Plan. This area of the Service will be further scrutinised for compliance with the recommendations and improvements that are being introduced. This audit has now commenced with the initial meetings taking place on 6 November 2014.

4. **CONSULTATIONS**

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

5. **CROSS-DIRECTORATE ISSUES CONSIDERED**

- 5.1 All elements of the Service have been included in the Procurement Improvement Plan, and the Board has cross-directorate membership. This reflects the way procurement is carried out in the Service and the Procurement Manager has conducted workshops with staff responsible for each of the 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. This supports the National agenda, where it is recognised there needs to be a much greater focus on developing a forward-looking approach, to anticipate commissioning needs and enable the Fire Service to become more sophisticated buyers.

6. **HEALTH & SAFETY ISSUES**

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

7. **EQUALITY & DIVERSITY IMPLICATIONS**

- 7.1 There were no equality and diversity issues raised in the report. Good procurement practice should ensure that equality and diversity issues are taken into account in procurement and contract management and an Equality Impact Assessment is being prepared for the Procurement Strategy.

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**

- 9.1 The Government has confirmed it expects to see the sector make progress in establishing joined-up procurement, and Fire Authorities are looking for ways to make efficiency savings, as they face the challenge of austerity. If the sector cannot make a success of collaboration by itself, then the approach may be mandated by the Government.

10. **ENVIRONMENTAL**

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

11. **SOCIAL**

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

12. **TECHNOLOGICAL**

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

13. **LEGAL**

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**

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 The Procurement Improvement Plan acknowledges the importance of communication of guidance and advice to commissioners and the wider procurement community within the Authority.

16. **FINANCIAL IMPLICATIONS**

16.1 To support the Procurement Improvement Plan a temporary resource has been engaged on a fixed term contract funded from within the existing budget provision. This has proven to be a valuable contribution to the implementation programme as well as allowing the Procurement Manager to provide support to officers and raise the profile of procurement in the Service. The success of this arrangement indicates that this may be beneficially introduced into specific areas of the Service. For example, there has been particular pressure in IMD with audit-identified weaknesses and high staff turnover.

16.2 There may be financial implications associated with other work-streams of the Procurement Improvement Plan. For example, the introduction of e-tendering, spend classification, training and the introduction of the “licence to buy” and the reintroduction of procurement cards. The Procurement Improvement Plan originally identified a potential one-off cost of £50,000 which remains a reasonable estimate.

17. **SUMMARY CONCLUSION**

17.1 The internal audit review of contracting and procurement identified the need to make improvements in procurement and contracting. Officers have responded to all the recommendations made and a broader plan for improvement has been put in place. Progress is summarised in the Appendices.

18. **APPENDICES**

18.1 The following appendices are attached:

Appendix A – Progress against audit report recommendations

Appendix B – Suppliers identified in R3 – current position

Appendix C – Procurement Improvement Board Workstreams and Plan time-line

Progress as at October 2014

No.	Audit Action	Risk Rating	Target Date	RAG	Current Status
1	<p><u>Commissioning & Procurement Strategy</u> <i>The Authority's Commissioning and Procurement Strategy should be reviewed to ensure it fully supports the ESFRS long-term procurement aims and objectives. Specifically, it should provide details and guidance on:</i></p> <ul style="list-style-type: none"> · Spend Analysis. · All aspects of procurement performance measures. · The procurement leadership and management structures 	**	30-Jun-14	G	<ul style="list-style-type: none"> • Accepted and agreed at February 2014 Fire Authority meeting. Published on the Internet and due for refresh by March 2015.

No.	Audit Action	Risk Rating	Target Date	RAG	Current Status
2	<p><u>Contracts Register</u> <i>The Contracts Register should be brought up to date to include all the Authority's contracts over £10,000.</i></p>	**	30-Jun-14	G	<ul style="list-style-type: none"> • Register updated and complete. Register is published on the Service's website in accordance with Transparency requirements. • Framework agreements have been added where spend analysis has identified anomalies. • New Engagement Form and Business Case forms alert Procurement early to all new requirements. • Previously the Contracts Coordinator has emailed the Responsible Officers with details of imminently expiring contracts and asked for updates. This process has been significantly strengthened. Contracts approaching expiration within 6-12 months (depending on complexity) are emailed to the relevant staff and this is followed within 14 days by a face-to-face review with those key commissioning departments, based on a standing agenda, referencing: <ul style="list-style-type: none"> a) Contracts Register review b) Spend analysis/off-contract spend c) Business Plans/forecasted procurements d) CSO/Procurement related guidance e) Supplier's performance/Contract Management issues.
3	<p><u>Contract Documents</u> <i>Further analysis is required of the 13 cases identified, to determine whether these are multiple purchases of low value which have not been disaggregated, and therefore do not require a formal contract, or larger value or higher risk where a contract is necessary.</i></p>	***	30-Jun-14	G	<ul style="list-style-type: none"> • Immediate remedial action was taken where appropriate for the 13 identified vendors. 3 vendors were blocked on SAP and there have been no further payments. Please see Appendix B for more detail.

No.	Audit Action	Risk Rating	Target Date	RAG	Current Status
4	<p><u>Category Management/Spend Analysis</u> <i>The ESFRS Procurement Team should establish procedures for collecting, identifying and monitoring procurement spend by category.</i> <i>Consideration should be given to:</i> 1. <i>Enabling procurement officers to analyse spend across any time period, supplier group, or commodity in order to continually improve the supplier base and supplier agreements.</i> 2. <i>Enabling managers throughout the Authority to identify the information most important to them within their span of control and have it available at all times.</i></p>	**	30-Jun-14 *Revised target date 31/12/14	Y	<ul style="list-style-type: none"> • A Category Management exercise was carried out as part of the Strategic Review of Procurement in October 2013. • A decision as to how to embed it within the financial systems of the Service is tasked as part of the on-going Procurement Improvement Programme, with recommendations as to the class system to be implemented scheduled for review in December 2014.
5	<p><u>Contract Spend Analysis</u> <i>The total spend with suppliers should be periodically checked against approved contract values and adequate evidence retained that spend in excess of the contract value was appropriately authorised.</i></p>	***	30-Jun-14	G	<ul style="list-style-type: none"> • A system was put in place in August 2012 so that spend against contract value is routinely monitored and all spend over £5,000 is checked monthly. • Any requests to increase the value committed on a purchase order, is subject to authorisation by the appropriate Officer for the revised accrued value of the commitment. This stops incremental increases being authorised by Officers with lower approval levels. • Spend against contract will also form part of the quarterly review with key commissioners, enabling early identification of potential issues.

No.	Audit Action	Risk Rating	Target Date	RAG	Current Status
6	<p><u>Pre-Contract Option Appraisal</u> <i>To ensure that best value is achieved, all staff involved in the letting of contracts should analyse the various options available to the Authority, and objectively test their ability to deliver Best Value (commensurate to the type of and value of the contract) prior to the tender process taking place. Further, documentary evidence of this appraisal should be retained and placed on the corresponding tender file.</i></p>	**	30-Jun-14 Revised target date 31/12/14	Y	<ul style="list-style-type: none"> • Department Heads have been reminded that they must retain all documentary evidence of a transparent appraisal process. • Standard templates have been devised that require Managers to record this process and confirm it had been undertaken. • The introduction of an e-tendering system can be used to embed improvements through providing the means to manage and co-ordinate the tendering process. A full audit trail is created for each tender and document management within will enable all correspondence relating to a particular tender to be held in a central repository. E-tendering capability is a key task within the Procurement Improvement Programme, the business case being due for consideration in December 2014.
7	<p><u>Contract Procurement Strategy</u> <i>Prior to undertaking a tendering exercise, a procurement strategy should be created which clearly documents the rationale for the procurement route selected. Further, this should be subject to review and approval by the project sponsor/budget holder.</i></p>	**	30-Jun-14	G	<ul style="list-style-type: none"> • Regular meetings between the Procurement Manager and the Service's key commissioners, which started June 2012, allow strategic approach to procurement to be discussed. • Newly drafted standard templates include the requirement for a clear procurement strategy to be demonstrated; where the value/risk/complexity renders it proportionate to do so. The templates are scheduled for consultation in October 2014, ready for publication.

No.	Audit Action	Risk Rating	Target Date	RAG	Current Status
8	<p><u>Procurement Record Keeping</u> <i>The Authority should maintain a complete and up to date record on the entire procurement and contract administration process (pre-tender stage, tendering stage and contract administration stage) for each contract. These should be held in an appropriate format and retained in accordance with the Authority's documentation retention policy.</i></p>	***	30-Jun-14 Revised target date 31/12/14	Y	<ul style="list-style-type: none"> • Department Heads have been reminded that they must retain all documentary evidence of a transparent appraisal process. • Procurement is devolved within ESFRS to department level, however the creation of a central repository for all contracts documentation is being considered as part of the Procurement Improvement Programme with a conclusion by 31 Dec 2014.
9	<p><u>Contract Selections</u> <i>Staff should be reminded that a formal record should be made of the decision making process leading to the award of each contract. This document should clearly show who made the decision and the basis upon which the contract was awarded. This document should be retained on the tender file.</i></p>	***	30-Jun-14 Revised target date 31/12/14	Y	<ul style="list-style-type: none"> • A new standard Procurement Record template document will be introduced, which requires Responsible Officers to record all aspects of the Procurement process. The template is scheduled for consultation in October 2014, ready for publication in Nov. • Requirements will be further reviewed as part of the e-tender business case due in December 2014.
10	<p><u>Contracts</u> <i>Formal written contracts should be in place for all works and services commissioned by ESFRS as required by CSOs.</i></p>	**	30-Jun-14 Revised target date 31/12/14	Y	<ul style="list-style-type: none"> • As part of the Procurement Improvement Programme, a central repository will be created by December 2014. • Scanned copies are kept centrally.

No.	Audit Action	Risk Rating	Target Date	RAG	Current Status
11	<p>Contract Management <i>In line with CSO 20 (Monitoring Contract Performance), Contract Managers' should ensure that there are adequate systems in place to manage and monitor contracts. These could include planned meetings with the contractor, copies of minutes and action logs, and performance reports etc. A contract management plan could be developed for contracts which are high in value and business critical, or where a contract manager is responsible for a large number of contracts simultaneously. The above should be proportionate to each contract; evidence obtained and held on contract file.</i></p>	***	<p>30-Jun-14</p> <p>Revised target date 29/06/15</p>	Y	<ul style="list-style-type: none"> • The quarterly review with key commissioners includes Contract Management as standing agenda item. • Formal contract management guidance is due to be issued as part of the "Licence to Buy" initiative, scheduled for rollout as part of the Procurement Improvement Programme in April 2015. • The new Procurement Manual contains Contract Management guidance.
12	<p>Post Contract Review/Lessons Learnt <i>A post contract review should be undertaken to evaluate whether the procurement process had achieved its objectives and delivered the benefits, this will also ensure that procurement processes can be developed for future procurement activities</i></p>	*	<p>30-Jun-14</p> <p>Revised target date 13/02/15</p>	Y	<ul style="list-style-type: none"> • The Procurement Manual is being rewritten and will include a section on review. • Procurement is present on all Project Boards. Post award review and lessons learned are integral part of the project process/stage-gates.

* Revised target dates reflect the assimilation of recommendations into the larger piece of work being conducted by the Procurement Improvement Board & are aligned with the corresponding Procurement Improvement Action Plan

3. Contract Documents

Vendors with spend but no contract identified in Recommendation 3					
Updated position October 2014					
Vendor Name	Spend 2013/14 £	Total Payments on SAP	Proclass Category	Description of spend	Current position
Mason IT	20,596	555,150	ICT	IMD network infrastructure contractor / reseller	No further spend or payments made since April 2013- no action required
Allstar Business Solutions	45,841	510,861	Vehicles Not Buses	Fuel Cards	Vendor is accessed under compliant framework RM536 - no action required
Lima Networks Ltd	6,801	223,951	ICT	IMD network infrastructure contractor / reseller	No further spend or payments made since April 2013- no action required
Opinion Research Ltd	4,221	256,731	Facilities Management	Research and consultation	Vendor is accessed under compliant framework - no action required
PCI Comms Ltd	10,575	180,882	Facilities Management	IMD network infrastructure contractor / reseller	No further spend or payments made since April 2013- no action required.
Ripley Auto Spares Ltd	15,800	204,544	Vehicles Not Buses	Provision / disposal of scrap cars for training	Spend in excess of CSO and EU threshold - given nature of market for this service risk of challenge believed to be low. Arrangement to be reviewed with Learning & Development as part of forward procurement plan. L&OD are currently consulting on a draft specification, for an imminent tender exercise.
Huntress Search Ltd	9,785	65,120	Human Resources	Permanent / temporary staffing	Spend in excess of CSO threshold but covers a range of appointments. ESFS now access non-permanent staff via an EU compliant framework agreement.
Decorpanel Ltd	10,902	103,437	Building Construction Materials	provision of scrap wood for live fire training	Ongoing low level annual spend - review with Learning & Development to discuss future needs / options. Provision may cease, as we are awaiting a strategic decision on future practices to be adopted.
Bond Solon Training Ltd	4,347	88,179	Education	Legal training and information	Variable levels of spend primarily for advocacy training. Likely to be covered through new regional training framework contract being let by CFOA which we are participating in.
Survitech Service and Distribution	2,627	44,528	Health and Safety	Marine and industrial safety equipment	Recent spend below CSO threshold - no action required
Calyx	9,769	50,789	ICT	ICT and cloud based managed services	No further spend or payments made since Jan 2014, provision no longer required, no further action
The Lawson Partnership Ltd	10,140	123,130		Town planning and surveying services	Recent spend below CSO threshold - review future needs with Estates
Avnet Embedded	0	35,774	ICT	IMD network infrastructure contractor / reseller	No further spend, no action required, provision no longer required.
	151,404				

Notes:

Total Payments on SAP figure taken from internal audit analysis reflecting spend from 2004 to 2012
 2013/14 spend is based on invoices paid 01/04/13 - 16/12/13

Extract from the Procurement Improvement Plan

Procurement Strategic Review and Audit 17 Action Points

- 1 Financial Value Record
- 2 Contracts Register
- 3 SAP Workflow
- 4 ProClass recommendations made
- 5 P-Cards Outline Business Case ready
- 6 Intranet Review and Update
- 7 CSO amendments approved
- 8 E-Tendering Outline Business Case
- 9 E-Tendering Full Business Case
- 10 Forward Procurement Plan
- 11 Commissioning and Procurement Strategy
- 12 Procurement Policy in manual and hyperlinked
- 13 Training Needs Analysis complete
- 14 Licence to Buy Outline Business Case ready
- 15 Contingency Supply Plans in place
- 16 Implement Training & Development Programme
- 17 P-Cards Phase 2 rolled out

Procurement Improvement Programme

Following a review of procurement, 17 action points have been identified and these have been divided into a number of strands of work which will run as interlinked projects.



Who's who

Programme Sponsor: CFO and CE Des Prichard

Programme Owner: Head of Finance and Procurement Warren Tricker

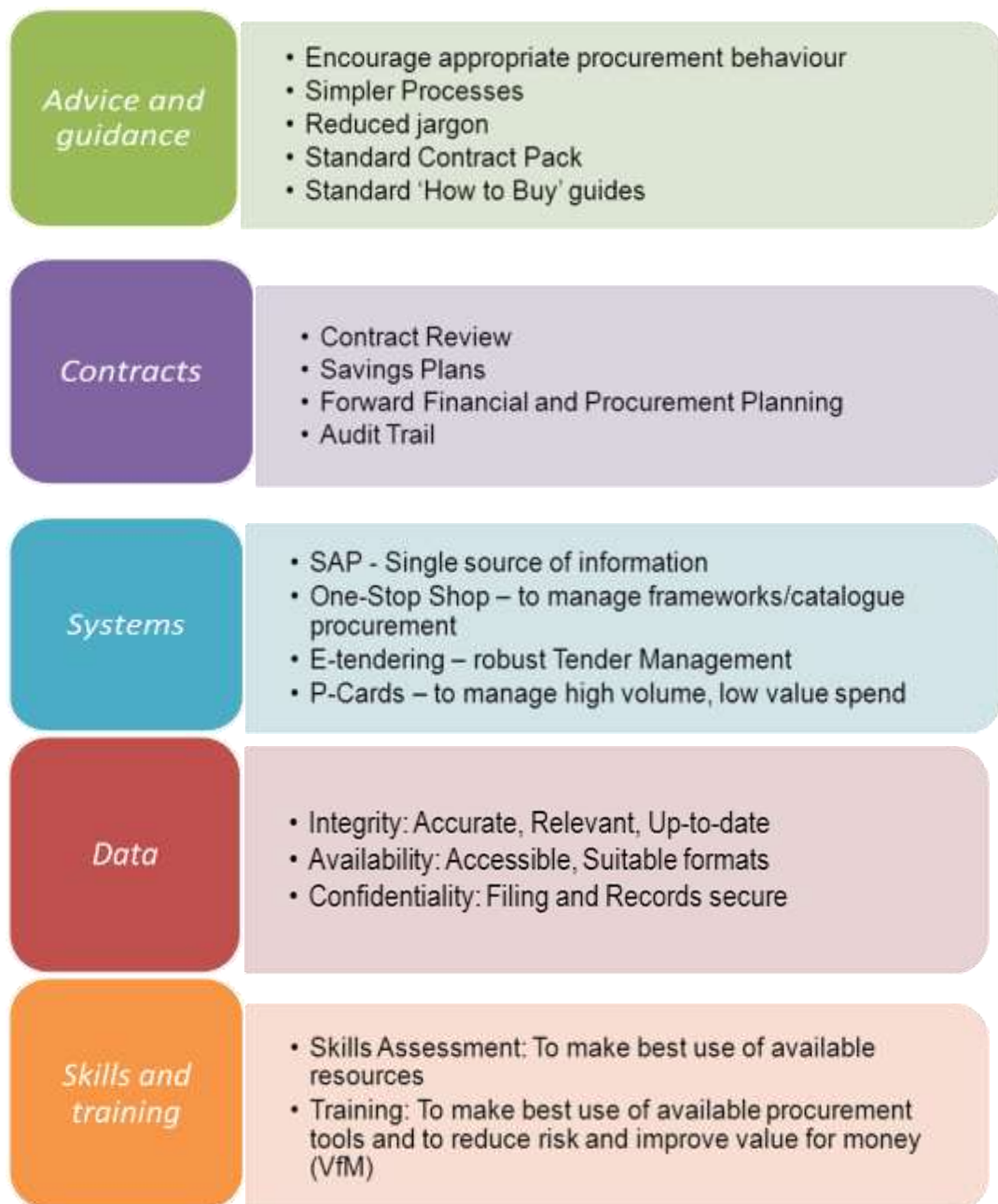
Programme Manager: Procurement, Contracts & Insurance Manager Claire George

Programme Board members: ACFO Gary Ferrand, Duncan Savage (Treasurer) Nigel Cusack (Hastings Borough Commander), Keith Robertson (Procurement), Hannah Youldon-Scott (Learning & Organisational Development) and Elizabeth Curtis (Communications)

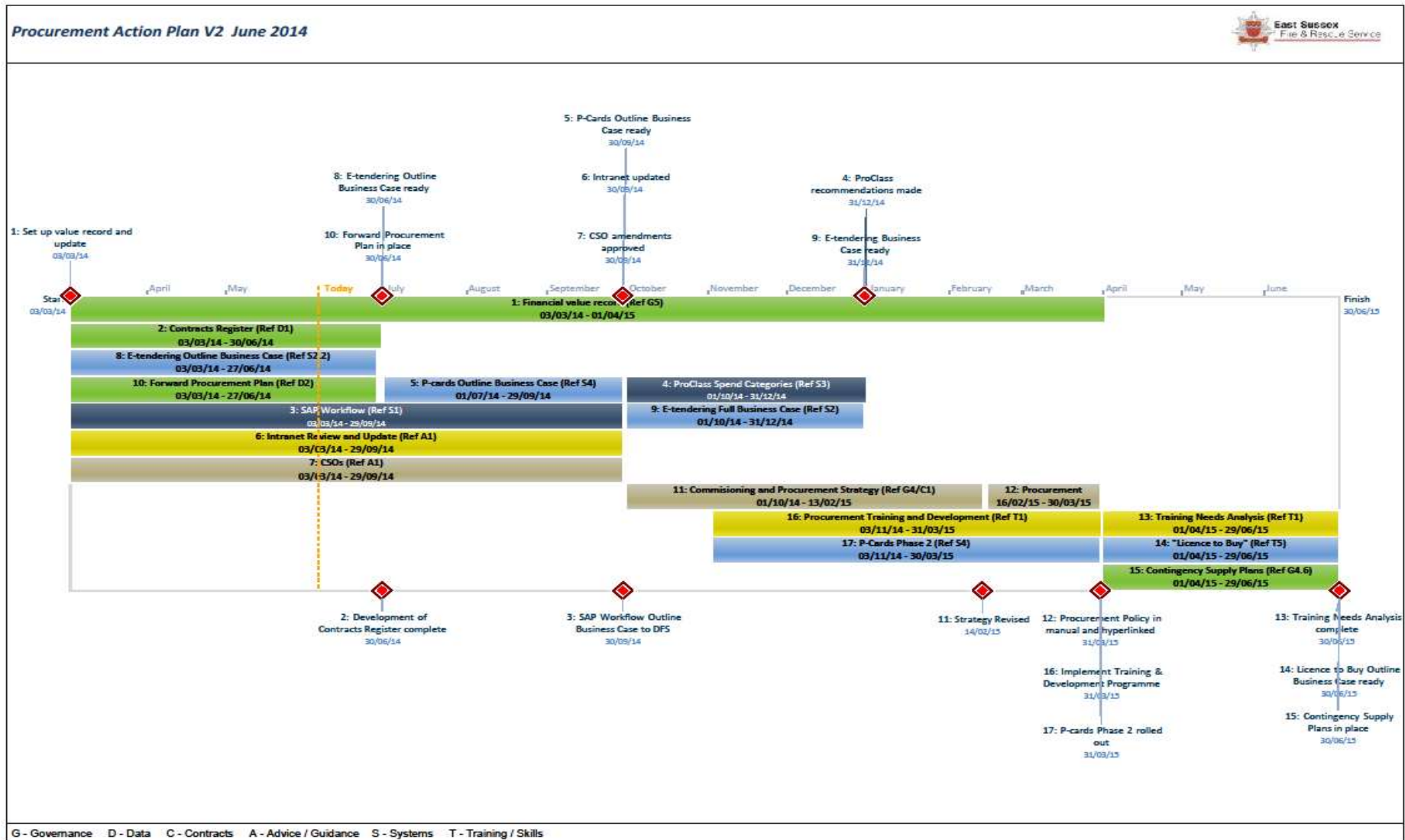
Procurement Improvement Plan Work-streams

17 Procurement Action Points = 5 Workstreams

Data	Contracts	Guidance	Systems	Skills
1, 2 and 5	1, 11 and 15	6, 7 and 12	3, 4, 5, 8, 9 and 17	13, 14 and 16



Procurement Improvement Plan Timeline



EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**

Date: **13 November 2014**

Title of Report: **2013/14 – Service Benchmarking Report**

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

Purpose of report: **To present the Fire Statistics for 2013/14 and benchmarking of East Sussex Fire & Rescue Service against its family group.**

RECOMMENDATION: The Panel is asked to note the contents of the report.

MAIN ISSUES

1. The aim of this report is to provide Members with the results of an Annual Benchmarking Report that compares the Service to its peers, in particular, the thirteen fire and rescue services that make up Family Group 2. These are fire and rescue services deemed to be of similar size in terms of area and population.
2. The report provides a number of comparisons of ESFRS against demographic information and current performance measures, as well as organisational resourcing. Members are asked to note that the report contains information as at 31 March 2014.
3. This report will help us continue to learn how to keep improving our performance, improve our understanding of why Fire Services vary in terms of what we achieve for our communities and how effective service practices can be better shared. It is important to remember that our family group does not have common service structures. Some are Combined Fire Authorities and some are part of the Council. Where this report has raised issues, e.g. in areas such as Health and Safety, regional work groups have been established in order to provide standardised data to inform future discussions on best practice.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
13 October 2014

List of Background Papers :Fire Statistics Monitor: England April 2013 to March 2014

1. **INTRODUCTION**

1.1 This benchmarking report provides comparator information across Family Group 2 (FG2), focussing on the following areas:

- Employee comparisons from the 'Operational Statistics bulletin for England: 2013/14'
- Station and appliance comparisons from the CIPFA annual statistics for 2013/14'
- Health & Safety comparisons from the 'Operational Statistics bulletin for England: 2013/14'
- Incident comparisons from the 'Fire Statistic Monitor: England April 2013 to March 2014' and the 'Fire Incident Response Times: England, 2013/14'.

2. **NATIONAL/REGIONAL POSITION**

2.1 Nationally, the key areas of 2013/14 performance in *Operational Statistics* are as follows:

- Local authority fire and rescue services attended 170,000 fires in England in 2013/14 compared to 154,000 fires in England in 2012/13. The record low number of fires in 2012/13 was the result of fewer outdoor fires, due to above average rainfall that year.
- There were 275 fire fatalities in England in 2013/14. These were 14 (5%) fewer than in 2012/13 and 39% lower than in 2003/04. Two thirds of all fire fatalities were in accidental dwelling fires (181 in 2013/14). While these were 6 higher than in 2012/13, this is the second lowest number recorded and more than a third lower than in 2003/04.
- There were 3,600 hospital non-fatal fire casualties in England in 2013/14. This is 5 per cent fewer than in 2012/13.
- In 2013/14, local authority Fire & Rescue Services attended 223,400 fire false alarms, which is 4% fewer than 2012/13.
- Fire & Rescue Services attended 130,600 non-fire incidents in 2013/14, 3% less than in 2012/13. The most common types of non-fire incidents attended by Fire & Rescue Services were road traffic collisions (21%), effecting entry (12%), flooding (11%), and medical incidents (10%).

3. **CURRENT POSITION FOR ESFRS**

3.1 The key areas of 2013/14 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 and 2,122 fires in 2013/14 a 2% reduction on 2012/13.
- There were five fire fatalities in 2013/14, one more than in 2012/13 – four fatalities occurred in accidental dwelling fires.
- In 2013/14 there were 26% fewer non-fatal fire casualties than in 2012/13. This continues the downward trend, following a 23% reduction the previous year.
- In 2013/14, ESFRS attended 4,651 false alarms, an increase of 2% from the 4,577 fire false alarms recorded in 2012/13.

- ESFRS attended 2,788 non-fire incidents in 2013/14, 7% more than in 2012/13. The most common types of non-fire incidents attended by ESFRS were road traffic collisions (15%), flooding (14%) lift release (13%) effecting entry (12%), and making safe not RTC (12%). The 7% increase on 2012/13 is mainly due to making safe not RTC (+203), some of which can be attributed to the severe storms over the winter, animal assistance calls (+33) and flooding (+29).

3.2 The key areas of 2013/14 identified and summarised below from the Family group 2 Benchmarking report are as follows:

- When we compare ESFRS to the other FRSs in FG2 in terms of population and properties, we are most similar to West Sussex FRS.
- ESFRS covers the third smallest area in FG2.
- Management structures are similar in size and distribution to Wiltshire FRS and overall ESFRS numbers are comparable to Berkshire.
- ESFRS is 41% above the average number of wholetime firefighters with 407 (average 289) as of 31 March 2014 and has 3% less than the average RDS firefighters.
- ESFRS has a ratio of 4.92 operational pumps per 100,000 population which is just above the average for FG2 (the average is 4.61).
- ESFRS has a ratio of 2.95 stations per 100,000 population which places ESFRS 6th in FG2.
- ESFRS has the second lowest number of square km per station (74.63)
- ESFRS is above average for injuries sustained at operational incidents and during training.
- ESFRS has the fourth highest proportion of female firefighters across FG2, with 4.9% of Wholetime firefighters being female.
- ESFRS has the fourth highest proportion of ethnic minority staff across the FG2 members.
- Since 2001/02, ESFRS has attended 60% less fires (5,352 in 2001/02 – 2,112 in 2013/14). Each FRS across the country has been experiencing similar reductions.
- ESFRS ranks first for average response times and is well below the national average.
- ESFRS attends the highest numbers of incidents in its family group with the major difference being in the number of false alarm it attends in comparison to its family group.

3.3 The production of the previous report in May 2014 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 were the third lowest in 2012/13 and the most improved of all FRS in 2013/14. 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 based at ward level. They have also increased the number of Home Safety Visits undertaken, starting with 10,000 per annum, increasing to 12,000, then to 15,000 and the target for this year is 18,000. In order to achieve the reductions they have invested heavily in the prevention work and have almost doubled the number of visits undertaken.

3.4 Work has also started with the family group in terms of establishing the policies they apply for attending false alarm calls. There are a number of different policies used amongst the family group which may be the cause of successful reductions amongst the group. Whilst the CFA has agreed to a reduced attendance at specific types of false alarms which will reduce the resource requirement at such incidents it will not impact the numbers. The findings from the family group will be shared with the Service Transformation Team to feed into the call challenge review.

3.5 Appendix A 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 None arising from this report.

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 still being addressed with standardised data being available from next year.

7. **EQUALITY AND 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**

9.1 None arising from this report.

10. **ENVIRONMENTAL**

10.1 None arising from this report.

11. **SOCIAL**

11.1 None arising at this time.

12. **TECHNOLOGICAL**

12.1 None arising from this report.

13. **LEGAL**

13.1 None arising from this report.

14. **ECONOMIC**

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

15. **COMMUNICATION IMPLICATIONS**

15.1 Non arising from this report.

16. **FINANCIAL IMPLICATIONS**

16.1 Non arising from this report.

17. **SUMMARY**

17.1 The benchmarking report enables Members to compare ESFRS against similar fire and rescue services.

18. **RECOMMENDATIONS**

18.1 The Panel is asked to note the contents of the report.

19. **APPENDICES**

19.1 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: **13 November 2014**

Title of Report: **Operational Assessment and Fire Peer Challenge Action Plan**

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

Purpose of report: **To present the Action Plan following the outcomes from the Operational Assessment and Fire Peer Challenge 2014**

RECOMMENDATION: The Panel is asked to:

- i) note that an action plan has been developed with Members and relevant managers;
- ii) note that plans are in hand to address the 'areas to be explored' through the business as usual arrangements; and
- iii) agree that the action plan can be closed as all the areas have either been completed or are in progress through the existing departmental business plans.

MAIN ISSUES

1. The Fire Authority's Operational Assessment and Peer Review Challenge was carried out in January 2014 and the outcomes reported to the Scrutiny & Audit Panel at its meeting in May 2014. The Panel asked for an appropriate action plan to be developed to address the 'Areas to be Explored' as identified in the review. In order to explore further with Members some of the issues raised in the report, the action plan also featured on the agenda at the Members' Seminar in July at a facilitated workshop. It was acknowledged at the time that the majority of areas were already known to the Service and included in existing departmental business plans.
2. This report brings back the action plan for noting as all the areas identified as requiring further development have either been completed or are in progress through the existing departmental businessplans.

Des Prichard
CHIEF FIRE OFFICER & CHIEF EXECUTIVE
13 October 2014

1. **INTRODUCTION**

- 1.1 The Operational Assessment and Fire Peer Challenge took place in January 2014. The final report was published in April 2014 and identified a number of areas where the Service is 'performing strongly' and also suggested a number of areas which could help drive improvements. These 'areas to be explored' also formed part of a facilitated workshop at the Members' Seminar in July, providing Fire Authority members the opportunity to comment on areas identified in the Peer Review. It was acknowledged by Members, at the time, that the 'areas to be explored' were already known to the Service and being addressed through a number of existing service plans including business plans, the Information Management Transformation programme and the Service's Transformation Programme.
- 1.2 The action plan has been further developed with responsible managers since July, and is presented here as Appendix A.

2. **MAIN ISSUES COVERED BY THE REPORT**

- 2.1 This report sets out the 'areas to be explored' as part of the Operational Assessment and Fire Peer Review, and assessment of them in terms of existing plans within the Service. This report brings back the action plan for noting by Members as all the areas identified as requiring further development have either been completed or are in progress through the existing business plans of the Service.

3. **LEGISLATIVE CONTEXT/NATIONAL/REGIONAL POSITION**

- 3.1 The Fire & Rescue sector has a strong and long-standing commitment to sector-led improvement. As part of this, the Chief Fire Officers' Association developed the concept of Operational Assessment (OpA) in 2009, in partnership with the Local Government Association and the Chief Fire & Rescue Adviser. 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. The self-assessment, peer review report has been made available on the Fire Authority's website.

4. **CURRENT POSITION FOR ESFRS**

- 4.1 The Service has assessed itself against the areas identified in the peer report and is confident that the actions identified have either been completed or are in progress through existing departmental plans. Therefore, unless Members indicate otherwise, it is intended not to develop another action plan but rather allow the continuing improvements to occur through normal business channels, i.e. business plans, the corporate risk register, the IMD Transformation and the Service Transformation Programme. As such, the action plan (Appendix A) contains an assessment of progress against the areas identified and which business plan they have been/will be addressed by.

5. **CONSULTATIONS**

5.1 Relevant Heads of Departments have provided the narratives against the areas identified in the action plan and have been consulted with as part of the process.

6. **CROSS DIRECTORATE ISSUES CONSIDERED (E.G. PEOPLE RESOURCING & TRAINING)**

6.1 The actions identified to address the issues concerned have been allocated to the appropriate resources as part of the Service's normal business planning arrangements.

7. **HEALTH & SAFETY ISSUES**

7.1 None arising from this report.

8. **EQUALITY & DIVERSITY IMPLICATIONS**

8.1 None arising from this report.

9. **IMPACT ASSESSMENTS**

9.1 **POLITICAL**

9.2 None arising from this report.

10. **ENVIRONMENTAL**

10.1 None arising from this report.

11. **SOCIAL**

11.1 None arising from this report.

12. **TECHNOLOGICAL**

12.1 None arising from this report.

13. **LEGAL**

13.1 None arising from this report.

14. **ECONOMIC**

14.1 None arising from this report.

15. **COMMUNICATION IMPLICATIONS**

15.1 The action plan will be added to the website alongside the Peer Review final report.

16. **CORPORATE AND SERVICE RISK**

16.1 None arising from this report.

17. **FINANCIAL IMPLICATIONS**

17.1 None arising from this report.

18. **CONCLUSIONS**

18.1 The Operational Assessment process is intended to provide Fire and Rescue Authorities with the opportunity to identify strengths and areas for improvement so that actions can be prioritised within their strategic plans. As well as providing organisations with the opportunity to drive improvement and become more self-aware, the process also enables notable practice to be identified and shared between Fire and Rescue Authorities. The Service is confident that the issues raised in the report have been or are being addressed through the normal business planning processes and therefore, unless otherwise directed by Members, this action plan will be closed.

Operational Assessment Peer Challenge Report –Action Plan – Appendix A

List of “Areas to Explore” with ESFRS comment on current situation/progress.

Ref No	Areas to Explore	ESFRS Comment	How will it be delivered
Leadership			
How well are outcomes for local citizens being achieved?			
1	Expectations are very high due to previous success & may not be sustainable in the future.	Phase 1, 2, 3 proposals of ‘Changing the Service – Shaping our Future’ will deliver services and maintain the Authority’s statutory duty and stated aims and attendance standards, despite a diminishing establishment and budget. Transition team being established to deliver work. Action noted and progress will be monitored through programme arrangements.	Through the Service Transformation programme.
2	IT issues are constraining some partnership working (e.g. building control; receiving electronic consultations)	Information Management Department (IMD) transformation programme approved at P&R 11 July 2014. Action noted and will be progressed and monitored through IMD programme arrangements.	Through IMD transformation programme
3	Partners are not all clear how the Service’s transformation over the next five years will affect them	The Fire Authority’s Communications and Consultation strategy has been extensively revised by the Marketing & Communications Manager, ready to go through the normal Fire Authority processes for full adoption and incorporation into Members Handbook.	Work Completed Awaiting adoption by FA
4	Strong external focus may be at the expense of continuing internal Service development	Phase 1,2,3 proposals of ‘Changing the Service – Shaping our Future’ have a strong internal focus and will deliver services and maintain the Authority’s statutory duty and stated aims and attendance standards, despite a diminishing budget and establishment.	Through Service Transformation programme.
How effective is the leadership and governance?			
5	Do decision making and planning processes have clarity? Planning processes are not well understood (by staff)	The Members Development Steering Group Chaired by the Fire Authority Chairman oversees all aspects of Member development including induction, analysis of performance is completed after each induction process. Appraisal scheme subject to periodic review led by the Organisational and Workforce Development Manager, forms part of the L&OD Business Plan. In progress, on target.	Through the Learning & Organisational Development Business Plan

Ref No	Areas to Explore	ESFRS Comment	How will it be delivered
6	The outcomes of difficult decisions do not appear to be progressed fully	Comment noted, see item 1 above.	Through Service Transformation programme.
7	Are Members and Officers giving the same messages regarding the transformation of the Service?	<p>Provide a communication strategy on behalf of members to try to achieve a consistent message on Fire authority decisions. See comment in box 3.</p> <p>Guidance to be provided to Members on attendance at fire stations and departments to ensure that they are fully briefed on corporate matters. This action is identified in the Corporate Risk Register, allocated to a responsible manager.</p> <p>Monitoring Officer to review Code of Conduct for Members. Fundamental review of Democratic Services completed will go to October 14 CMT and then December 14 CFA for approval.</p>	<p>Action completed. Awaiting CFA adoption</p> <p>In the Corporate Risk Register</p> <p>Action completed. Awaiting CMT and CFA approval</p>
8	Is the full capacity of the organisation being realised?	See item 1 above. Service Transformation team will be carrying out 'lean' reviews into various aspects of the Service to improve efficiency and effectiveness of our processes	Through the Service Transformation programme.
9	Empower all staff and have confidence in their abilities to deliver	A Talent Management Strategy is In the Learning & Organisational Development Business Plan being led by Organisational & Workforce Development Manager. N.B. This work is in progress but not on target, this does not mean however that we do not have robust development programs in place for those who achieve promotion or undertake new duties across the Service. Also features in Corporate Risk Register.	Through the Learning & Organisational Development Business Plan
How effective is the organisational capacity to meet current requirements and future needs?			
10	Empowerment at all levels would release latent capacity	Comment noted and the development of the new Service Management group, consisting of Heads of Function is now in place. Other areas include the roll out of delegated financial management and reviewing systems and processes as part of the Service transformation programme to ensure unnecessary steps are removed will contribute to the empowerment of staff.	Through the Finance and Procurement business plan and Service Transformation Programme.

Ref No	Areas to Explore	ESFRS Comment	How will it be delivered
11	Staff are confused by mixed messages from Officers and Members	See item 7 above. Staff engagement by Members and Officers at all levels should be encouraged. Corporate Risk Register 6, also addressed by new CFA communications strategy.	Through the Corporate Risk register
12	Greater engagement from Members would be appreciated by staff and would provide real benefits	In the People and Organisational Development (POD) Business Plan to support: Members' visit to stations and other key events, launches and parades. Corporate Risk Register 4, also addressed by new CFA communications strategy.	Through the Corporate Risk register
13	Once decisions are made singular decisions to staff are important and would avoid confusion and improve morale	In the People and Organisational Development (POD) Business Plan: Continue to deliver communications around IRMP a) To reassure the public that we are not putting their safety at risk through the changes proposed b) To keep staff informed of opportunities to get involved in reviews and update them of decisions which affect them. Addressed by new the new communications strategy	Through the Learning & Organisational Development Business Plan
Protection			
14	Perceived conflict between desired outcomes from Business Safety approach and current performance targets	Targets have been revised after the assessment and are now in line with Manager's expectations.	Completed
15	IMD systems and support (to advance processes & additional requirements)	See item 2 above.	Through IMD transformation programme
Response			
16	RDS review - scope and direction	In Phase 3 and will be reported back as part of the Service Transformation programme.	Through the Service Transformation programme.
17	RDS recruitment process (length of process)	Head of Human Resources has this in the HR business plan. Externally hosted on line application forms etc. are about to go live to reduce both delays and costs.	Through the Learning & Organisational Development Business Plan

Ref No	Areas to Explore	ESFRS Comment	How will it be delivered
18	RDS new contracts	Head of Human Resources introduced new contracts some time ago in accordance with the HR Business Plan; a few remain outstanding for sign off by Ff's. Borough Commanders and Human Resources team are actively working to resolve this.	Through the Learning & Organisational Development Business Plan
19	RDS training time and flexibility	Learning and Organisational Development are leading a CMT project to revise and renew the maintenance of competency framework for all Fire-fighters. This is designed for Retained Duty System (RDS) Fire-fighters and, if successful, will be introduced for Wholetime Firefighters. CMT approved the allocation of an addition £83K for RDS training year on year from 2012/13	Through the Learning & Organisational Development Business Plan
20	Temporary Full Time Contracts from Retained Duty System (RDS) to Wholetime. (implications for crewing of RDS pumps)	Considered by the Director of Response & Resilience and Borough Commander's on a case by case basis when staff are offered contracts, mitigation of effects by placing them on a Wholetime Watch that compliments the existing RDS availability at their base RDS station. Not always a clear cut issue though as often a Wholetime contract replaces a different employment for an individual rather than removing RDS cover.	Through the Learning & Organisational Development Business Plan
21	Operational learning and feedback from incidents and debriefs	Head of Learning and Organisational Development has work in hand to introduce a formal system to address this issue, for October 14 CMT, in POD Business Plan.	Through the Learning & Organisational Development Business Plan
Training & Development			
22	Continue to explore and expand the alternative delivery methods, location and timing of development delivery for RDS	Project in People and Organisational Development business plan. In hand see reply 19	Through the Learning & Organisational Development Business Plan
23	Streamlining of the PDA and BTEC process for RDS (the developments within IMD should assist with this)	In hand as part of 19.	Through the Learning & Organisational Development Business Plan

Ref No	Areas to Explore	ESFRS Comment	How will it be delivered
24	Clear and improved communication and engagement regarding the management of expectations with regard to the migration of RDS to Wholetime	Completed. Stations informed via Borough Commanders, Human resources Department and Learning and Organisational development Department.	Completed
Community Risk Management			
25	IMD systems and issues restricting progress	Being explored in the IMD review.	Through IMD transformation programme
Prevention			
26	Increase operational staff understanding of the requirement to undertake the revised approach to prevention work & how this fits into their role & the wider organisational strategy and plans	The Fire Authority's Communications and Consultation strategy has been extensively revised by the Marketing & Communications Manager, ready to go through the normal Fire Authority processes for full adoption and incorporation into Members Handbook.	Work Completed Awaiting adoption by FA
27	The wider community including partners are not fully aware of the broader role of the Service and the opportunities to share, learn and interact with the common goal of safer communities	The Fire Authority's Communications and Consultation strategy has been extensively revised by the Marketing & Communications Manager, ready to go through the normal Fire Authority processes for full adoption and incorporation into Members Handbook.	Work Completed Awaiting adoption by FA
Health & Safety			
28	Operational debrief outcomes not being fully used for organisational learning	See item 21 above.	
29	Sickness absence levels	CMT receive quarterly reports on & monitor sickness absence levels. Sickness absence levels are falling.	Complete

Ref No	Areas to Explore	ESFRS Comment	How will it be delivered
Call Management and Incident Support			
30	Continue to explore the work on AFA attendance	P&R Panel agreed in May 2014 to changes to AFA attendance, in line with West Sussex Fire & Rescue Service, to achieve a common PDA for AFAs. Also identified as a review within the Service Transformation Programme.	Through the Service Transformation programme.

EAST SUSSEX FIRE AUTHORITY

Panel: **Scrutiny & Audit**

Date: **13 November 2014**

Title: **CIPFA Audit Committee Guidance**

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

Purpose of Report: **To update Members on the latest audit committee guidance for local authorities and to highlight those areas where further action may be required by the Authority to ensure compliance or improve the effectiveness of the Scrutiny & Audit Panel.**

RECOMMENDATION: The Panel is asked to:

- i) Note the latest guidance from CIPFA;
- ii) Consider whether any changes to the current arrangements are required; and
- iii) Recommend that the Fire Authority approve the new terms of reference for the Panel attached at Appendix A, noting that they will come into being when the revised Constitution is approved at the December meeting

MAIN ISSUES

1. CIPFA has recently issued up to date guidance on the function and operation of audit committees in local authorities. The guidance represents good practice, whilst making it clear that the way in which audit committees are organised will vary depending upon the specific political and management arrangements in place in each organisation.
2. A self-assessment of the Authority's current arrangements has been carried out against the CIPFA guidance by officers, in consultation with the Chair of the Scrutiny & Audit Panel. Whilst the responsibilities and operation of the Scrutiny & Audit Panel are generally assessed to be consistent with the CIPFA guidance there are a small number of areas where our arrangements differ or where there is an opportunity to improve their effectiveness and these are set out in the report for Members to consider.

Des Prichard
Chief Fire Officer &
Chief Executive
23 October 2014

Abraham Ghebre-Ghiorghis
MONITORING OFFICER

Duncan Savage
TREASURER

Background Papers

CIPFA – Audit Committees – Practical Guidance for Local Authorities and Police (3rd edition 2013)

1. **BACKGROUND INFORMATION**

- 1.1 CIPFA has recently issued up to date guidance on the function and operation of audit committees in local authorities. The guidance represents good practice, whilst making it clear that the way in which audit committees are organised will vary depending upon the specific political and management arrangements in place in each organisation.

2. **NEW GUIDANCE**

- 2.1 The guidance states that ‘The purpose of an audit committee is to provide to those charged with governance, independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of financial reporting and governance processes’. The core functions of the committee are to:

- Be satisfied that assurance statements, including the Annual Governance Statement, reflect the risk environment and demonstrate how governance supports the achievement of the authority’s objectives;
- Oversee and support the internal audit function, including independence, performance and effectiveness;
- Consider the effectiveness of risk management arrangements;
- Monitor effectiveness of the control environment, including VFM and managing the risk of fraud;
- Ensure the value of the audit process is promoted, including the relationship between internal and external audit;
- Review the financial statements and management response to issues raised by external audit.

- 2.2 Although no single model of audit committee is prescribed, the guidance states that all should:

- Act as the non-executive advisory function supporting those charged with governance;
- Be independent of both the executive and scrutiny functions;
- Have clear rights of access to other committees/functions;
- Be accountable to the board or equivalent body;
- Meet regularly, at least four times per year;
- Meet privately and separately with the external auditors and head of internal audit;
- Include regular attendees, such as Chief Finance Officer and head of internal audit, and have the right to call other officers as required;
- Report regularly on their work, and at least annually report an assessment of their performance.

3. **ASSESSMENT OF CURRENT ARRANGEMENTS**

3.1 A self-assessment of the Authority's current arrangements has been carried out against the CIPFA guidance by officers in consultation with the Chair of the Scrutiny & Audit Panel. Whilst the responsibilities and operation of the Scrutiny & Audit Panel are generally assessed to be consistent with the CIPFA guidance there are a small number of areas where our arrangements differ or where there is an opportunity to improve their effectiveness and these are set out below:

- The Panel has a non-statutory scrutiny function – a CIPFA survey in 2011 suggested that about a fifth of audit committees had other non-audit functions [comment – members should consider whether the Panel's broader functions are detrimental to the effective delivery of its core audit functions];
- The Panel has no executive functions but there is cross-over in membership with the Policy & Resources Panel [comment – dual membership affects a small number of Panel members and may be unavoidable given the size and structure of the Authority and its Panels. Again, Members should consider whether this affects the ability of the Panel to deliver its core audit functions];
- The Panel does not currently meet privately and separately with the external auditors and the head of internal audit but there is nothing to stop this should it be necessary. [comment – the Internal Audit Charter is clear that the head of internal audit “has direct access to, and freedom to report in his own name and without fear of favour to, all officers and Members and particularly those charged with governance”];
- The Panel does not report regularly on its work and has not undertaken a review of its performance [comment – the Panel's papers are in the public domain and are circulated to all Authority members. Members should consider whether more formal reporting of its activities and a periodic (biennial) review of its activities against the CIPFA Guidance would improve its effectiveness];
- The Panel has no involvement in setting the internal audit budget or the appointment of the head of internal audit [comment – this is not uncommon in the local authority sector – the Panel does, however, approve both the audit plan / number of audit days and review the effectiveness of internal audit];
- The Panel's terms of reference do not set out its purpose in line with the Guidance and the coverage of core responsibilities could be made clearer [comment – the inclusion of statements of purpose is not consistent with the format of the terms of reference used by the Authority for its panels – this could, however, be reviewed as part of the new Constitution];
- The review role for Treasury Management currently sits with the Policy & Resources Panel rather than the Scrutiny & Audit Panel [comment – this arrangement provides separation of roles as the full Fire Authority approves the Treasury Management Strategy but Members may wish to consider whether the review role sits better within the broader scrutiny role of this Panel];
- There has been no specific assessment of the Panel's skills and knowledge against those set out in the Guidance although, under the previous arrangements for Member development, this aspect was covered. In addition, assessment of need for the Chair of the Panel does still take place [comment – the Authority has a Member Development strategy in place but Members may wish to consider whether something more specific to this Panel's audit role would be beneficial].

- 3.2 The Panel is asked to consider the areas set out above and consider whether any changes to the current arrangements are required as a result.
- 3.3 The Panel is asked to consider the proposed revised terms of reference which more closely reflect the requirements set out in the Guidance (included at Appendix A) and recommend that the Fire Authority approves them, noting that they will come into being when the revised Constitution is approved at the December 2014 meeting.

Scrutiny & Audit Panel

The terms of reference for the Scrutiny & Audit Panel are as follows:

Statement of purpose

1 The Scrutiny & Audit Panel is a key component of East Sussex Fire Authority's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

2 The purpose of the Scrutiny & Audit Panel is to provide independent assurance to the Members of the adequacy of the risk management framework and the internal control environment. It provides an independent review of East Sussex Fire Authority's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

Governance, risk and control

3 To review the Authority's corporate governance arrangements against the good practice standards.

4 To review the Authority's assurance statements, including the Annual Governance Statement, prior to approval and to consider whether they properly reflect the risk environment and supporting assurances.

5 To consider the Authority's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.

6 To monitor the effective development and operation of risk management in the Authority.

7 To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

8 To review the effectiveness of management arrangements to ensure probity and legal / regulatory compliance and the Authority's exposure to the risk of fraud and corruption including, but not limited to, contract standing orders, financial regulations, codes of conduct, the counter-fraud strategy, whistleblowing and complaints processes.

Internal audit

9 To oversee the internal audit service on behalf of the Authority, including but not limited to:

- a) approving the internal audit charter;
- b) reviewing proposals made in relation to the appointment of external providers of internal audit services;
- c) approving the risk-based internal audit plan;
- d) approving the Head of Internal Audit's annual report and considering their opinion on the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control;
- e) considering any specific internal audit reports deemed necessary;
- f) considering the effectiveness of the internal audit service including its performance and compliance with the Public Sector Internal Audit Standards (PSIAS);
- g) considering the action taken by the Authority in responding to and implementing internal audit recommendations.

External audit

10 To oversee external audit activity on behalf of the Authority including, but not limited to:

- a) considering the external auditor's annual letter, relevant reports, and the report to those charged with governance;
- b) considering specific reports as agreed with the external auditor;
- c) commenting on the scope and depth of external audit work and to ensure it gives value for money.

11 To commission work from internal and external audit.

12 To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

Financial reporting

13 To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Authority.

14 To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Scrutiny and Performance Review

15 To review and scrutinise decisions made or actions taken in connection with the discharge of any of the Authority's functions.

16 To review and scrutinise the performance of the Authority in relation to its aims and objectives and its performance targets.

Standards

17. To discharge the following functions:

- (a) Promoting and maintaining high standards of conduct by the Members and co-opted Members of the Authority as required by section 27 (1) of the Localism Act 2011.
- (b) Assisting Members and co-opted Members of the Authority to observe the Authority's Code of Conduct.
- (c) Advising the Authority on the adoption or revision of a Code of Conduct.
- (d) Monitoring the operation of the Authority's Code of Conduct.
- (e) Promoting and maintaining high standards of conduct by employees of the Authority.
- (f) Developing and adopting procedures for the assessment, investigation and determination of Code of Conduct complaints.
- (g) Advising the Authority on the adoption or revision of any codes/guidance (1) regulating working relationships between the Members and co-opted Members of the Authority and the employees of the Authority, (2) governing the conduct of employees of the Authority or (3) for preventing fraud or corruption, including any "whistle blowing" codes.
- (h) Monitoring the operation of any such codes/guidance.
- (i) Training or arranging training in connection with any of the foregoing.
- (j) Supporting the Monitoring Officer and the Treasurer in their statutory monitoring roles and in the issue of any guidance by them.
- (k) Receiving reports from the Monitoring Officer on any matter relating to ethical standards and deciding action as appropriate.

18. As authorised by section 33 of the Localism Act 2011:

To exercise the power to grant dispensations to Members and co-opted Members of the Authority whose participation in any business would otherwise be prohibited by section 31(4) of the Localism Act 2011.

19. As required by Section 28 (11) of the Localism Act 2011:

Where a Member or Co-opted Member has failed to comply with the Code of Conduct, to determine whether to take action in relation to that member.

[Note – usually this function will be discharged by a Standards Hearing Panel following a hearing].

