

**EAST SUSSEX FIRE AUTHORITY**

**Minutes of the meeting of the SCRUTINY & AUDIT PANEL held at County Hall, St.Annes Crescent, Lewes, East Sussex at 10:00 hours on Thursday 27 April 2017.**

**Members Present:** Councillors Galley, Howson, Lambert, Peltzer Dunn and Taylor.

N.B. Councillor Howson attended the meeting in place of Councillor Buchanan having been nominated by the Deputy Monitoring Officer in consultation with the relevant Group spokesperson. Councillor Barnes was in attendance and was invited to sit at the table during the meeting.

**Also present:**

Ms. D. Whittaker (Interim Chief Fire Officer), Mr. M. O'Brien (Interim Assistant Chief Fire Officer), Ms. E. Woodley (Deputy Monitoring Officer), Mr. D. Savage (Assistant Director Resources / Treasurer), Mr. N. Chilcott (East Sussex County Council – Internal Auditor), Mr. K. McGrath (Ernst & Young External Auditor) and Mrs. K. Ward (Clerk).

075. **DISCLOSABLE PECUNIARY INTERESTS**

075.1 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.

076. **APOLOGIES FOR ABSENCE**

076.1 Apologies for absence were received from Councillors Buchanan, Penn, Wincott and Mr. M. Andrews (Interim Deputy Chief Fire Officer) and Mr. P. King (Ernst and Young).

077. **NOTIFICATION OF ITEMS WHICH THE CHAIR CONSIDERS URGENT / CHAIR'S BUSINESS**

077.1 Nigel Chilcott and Kris McGrath were welcomed to the meeting.

078. **NON-CONFIDENTIAL MINUTES OF THE SCRUTINY & AUDIT PANEL MEETING HELD ON 2 FEBRUARY 2017**

078.1 **RESOLVED** – That the non-confidential minutes of the meeting of the Scrutiny & Audit Panel held on 2 February 2017 be approved as a correct record and signed by the Chair. (Copy in Minute Book).

079. **CALLOVER**

079.1 Members reserved the following items for debate:

- 080. 2015/16 Service Benchmarking Report
- 081. Internal Audit Annual Report and Opinion
- 082. Internal Audit Strategy and Plan 2017/18
- 083. Internal Audit Review – Counter Fraud

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

080. **2015/16 SERVICE BENCHMARKING REPORT**

- 080.1 Members considered a report of the Assistant Director Planning & Improvement that presented the Fire Statistics for 2015/16 and comparative benchmarking of East Sussex Fire & Rescue Service against its family group. (Copy in Minute Book).
- 080.2 The report provided a wide range of information about how East Sussex Fire & Rescue Service compared against its peers, in particular the thirteen fire and rescue services that made up family group 2, in delivering its service to the local community. This included the cost of service provision, current performance measures and organisational resourcing. The report also sought to help the Service understand performance levels, where performance varied and investigate why variations may occur.
- 080.3 Councillor Galley asked Officers to explain why East Sussex reported a higher number of firefighters and appliances compared to those in the family group. Interim ACFO O'Brien advised that the figures were as at 31 March 2016 and as a result of the implementation of the savings proposals, the number of wholetime firefighters had reduced by around 50. Reductions had been carried out in line with the Integrated Risk Management Plan (IRMP) which had included the removal of two appliances. Further work was scheduled for later this year across the service, to include a complete officer review.
- 080.4 Councillor Galley asked if the review would include support staff provision. Interim CFO Whittaker advised that a demand management strategy would be worked on which would cover all roles, both operational and non-operational. Members were advised that posts had been streamlined and redefined resulting in some operational staff classed as support staff, or green book conditions of service giving a blurred picture on numbers of support staff.
- 080.5 Councillor Peltzer Dunn informed the Panel that he had received a home safety visit which he found informative and he was impressed at how accommodating the staff were. Councillor Peltzer Dunn highlighted that a lot of people were afraid to let any authority figure in to their home for fear of what that visit may lead to. Interim CFO Whittaker noted the comments and suggested that many of the individuals that the Service find hard to reach are those with alcohol, drug and mental health issues. The Service's communication team were aware of the problems faced and work was being undertaken, such as utilising feedback, to reassure individuals that the Service only wished to undertake preventative work rather than authoritative work.
- 080.6 Councillor Barnes requested an explanation in relation to the entry and effect and lift releases figures as they appeared high. Interim CFO Whittaker explained that in relation to entry and effect figures, the Service were part of the Emergency Services Collaboration Project. A memorandum of understanding was in place which meant if the Police or Ambulance service attended an incident where life was at risk, the Service would respond to their call to effect entry. These types of incidents were not chargeable. Lift release figures reported were not a true reflection of the situation as there had been some issues with recording, however the Service was in discussions with the owners of the properties involved to try and get the number of incidents down.
- 080.7 **RESOLVED** – That the Panel note the report.

081. **INTERNAL AUDIT ANNUAL REPORT AND OPINION FOR THE PERIOD 1 APRIL 2016 TO 31 MARCH 2017**

081.1 Members considered a report of the Assistant Director Resources / Treasurer which provided an Opinion on East Sussex Fire Authority's internal control environment and report on the work of Internal Audit for the period 1 April 2016 to 31 March 2017. (Copy in Minute Book).

081.2 Councillor Lambert highlighted that the IMD Transformation Contract Management audit had been deferred as the transfer to Telent Technology Services Limited had not taken place until November 2016. It was felt that a review would add more value if it was conducted once contract management arrangements had been in operation for a reasonable period. The days allocated for the audit would be carried over to 2017/18.

081.3 **RESOLVED** – That the Panel:

- (i) note the Internal Audit Service's opinion on the Fire Authority's internal control environment for 2016/17; and
- (ii) confirms that the Fire Authority's system for internal audit has proved effective during 2016/17.

082. **INTERNAL AUDIT STRATEGY AND PLAN 2017/18**

082.1 Members considered a report of the Assistant Director – Resources/Treasurer that provided an Internal Audit Plan for East Sussex Fire Authority covering the period 1 April 2017 to 31 March 2018. (Copy in Minute Book).

082.2 Members were advised that the internal audit Service has usually been delivered on a standard annual budget of 70 audit days. Following consultation with senior officers and the Authority's external auditor, Ernst & Young it was considered appropriate to increase the strategy to 75 days, totalling 85 days once the IMD Transformation Contract Management Contract audit was carried over.

082.3 The Fire Authority was undergoing a number of major change initiatives and it was important that internal audit activity provided a balance between assurance over those initiatives and, financial and non-financial controls within ongoing business activity. Details of the programme of work was provided within the report which would amount to 85 days if approved.

082.4 **RESOLVED** – That the 2017/18 Internal Audit Strategy and Plan be approved.

083. **INTERNAL AUDIT REVIEW – COUNTER FRAUD – PRIVATE USE OF VEHICLES**

083.1 Members considered a report of the Assistant Director – Resources/Treasurer which informed the Panel of the outcomes of the Internal Audit Review – Counter fraud – Private use of Vehicles. (Copy in Minute Book).

083.2 This review was agreed as part of the Authority's 2016/17 Internal Audit Plan and resulted in a partial assurance opinion. The audit highlighted areas where compliance with HMRC regulations was difficult to evidence and instances of service vehicles being driven at excessive speeds without any operational justification.

083.3 Members were reassured that as a result of the findings, Corporate Management Team put in place a robust management action plan in order to ensure the health and safety of staff and the public.

083.4 **RESOLVED** – That Management response to the Internal Audit Review of Private Use of Vehicles be endorsed.

084. **EXTERNAL AUDIT FEE LETTER 2017/18**

084.1 Members considered a report of the Assistant Director – Resources/Treasurer which informed the Panel of the proposed external audit fee. (Copy in Minute Book).

084.2 The fee for the 2017/18 audit was confirmed as £30,766. This was in line with the nationally set fee scales and was unchanged from 2016/17.

084.3 **RESOLVED** – That the report and external audit fee for 2017/18 be noted.

085. **2016/17 4<sup>TH</sup> QUARTER CORPORATE RISK REGISTER REVIEW**

085.1 Members received a report of the Assistant Director Resources / Treasurer which reported on the latest quarterly review of Corporate Risk. (Copy in Minute Book).

085.2 Officers reported the Emergency Services Mobile Communications Project (ESMCP) may be subject to delay and whilst the delay in the project would be Home Office responsibility, failure to mobilise appliances would be the responsibility of the Fire Authority.

085.3 **RESOLVED** – That the latest Corporate Risk Register be approved.

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

086.1 **RESOLVED** – That item 087 be exempt under paragraph 3 of Schedule 12A to the Local Government (Access to Information) (Variation) Order 2006 and, accordingly, is not open for public inspection on the grounds that it includes 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

Chairman

Dated this

day of

2017