

EAST SUSSEX FIRE AUTHORITY

Minutes of the meeting of the SCRUTINY & AUDIT PANEL held at County Hall, St. Anne's Crescent, Lewes, East Sussex at 10:00 hours on Wednesday, 13 June 2018.

Members Present: Councillors Galley (Chairman), Osborne, Peltzer Dunn and Sheppard.

Also Present: D Whittaker (Chief Fire Officer), M O'Brien (Deputy Chief Fire Officer), M Andrews (Assistant Chief Fire Officer), E Woodley (Deputy Monitoring Officer), D Savage (Assistant Director Resources/Treasurer), L Ridley (Assistant Director Planning and Improvement), M Matthews (Assistant Director Safer Communities), K Pearce (IT Governance Manager), S Milner (Planning & Intelligence Manager), M Polak (Programme Office Manager), S Neil, N Chilcott (Orbis – Internal Audit), S Higgins, P King (Ernst & Young), A Blanshard (Senior Democratic Services Officer)

145 DECLARATION OF INTERESTS

145.1 It was noted that, in relation to matters on the agenda, no participating Member had any interest disclosable in accordance with the provisions of the Fire Authority's Code of Conduct for Members

146 APOLOGIES FOR ABSENCE

146.1 Apologies were received from Councillor Lambert

147 URGENT ITEMS AND CHAIRMAN'S BUSINESS

147.1 There were none.

148 MINUTES OF THE SCRUTINY & AUDIT PANEL MEETING HELD ON 1 FEBRUARY 2018

148.1 **RESOLVED** – That the non-confidential minutes of the meeting of the Scrutiny & Audit Panel held on 1 February 2018 be approved as a correct record and signed by the Chairman. (*Copy in Minute Book*)

149 CALLOVER

149.1 Members reserved the following items for debate:

151 Internal Audit Annual Report and Opinion for the period 1 April 2017 to 31 March 2018

154 Internal Audit Review – GDPR Update

156 Assessment of the Corporate Framework and Annual Governance Statement for 2017/18

157 2016/17 Service Benchmarking Report

158 Performance Report for Quarter 4 and Year End Results for 2017/18

161 Programme Management Office Progress Report

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

150 **EXTERNAL AUDIT UPDATE AND FEE LETTER 2018/19**

150.1 The Panel received the report of the Assistant Director Resources/Treasurer (ADR/T) which informed Members of progress on the external audit of the 2017/18 financial accounts and the proposed external audit fee for 2018/19. (*Copy in Minute Book*)

150.2 **RESOLVED** – That the Panel:

- i) noted the progress on the external audit of the 2017/18 accounts;
- ii) noted the external audit fee for 2018/19; and
- iii) did not identify any further information or reassurance they required from the Authority's external auditors, or any matters which they wished to raise with them.

151 **INTERNAL AUDIT ANNUAL REPORT AND OPINION FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018**

151.1 The Panel received the report of the Assistant Director Resources/Treasurer which provided Members with the Chief Internal Auditor's opinion on East Sussex Fire Authority's internal control environment and reported on the work of Internal Audit for the period 1 April 2017 to 31 March 2018. (*Copy in Minute Book*)

151.2 The ADR/T explained to Members that Orbis' Chief Internal Auditor had been able to provide reasonable assurance that the Fire Authority had in place an adequate and effective framework of governance, risk management and internal control. There were individual reports on these systems which had been evaluated by internal audit and included recommendations to enhance controls and management had drawn up action plans to implement these.

151.3 There had been only one report, GDPR Readiness that had not received a substantial or reasonable assurance opinion and this was presented before Members at this meeting as a separate item.

151.4 Members felt that overall it was a good report and that Officers were to be complemented on achieving these levels. Members queried why Accounts Receivable had been given an opinion of reasonable assurance and not substantial as all the other key financial systems had. The ADR/T explained that there had been two main reasons for this, firstly vacancies in the Finance team following HQ relocation had affected debt monitoring, but the Finance Manager now reviewing all debts outstanding over 90 days. Secondly, the report had identified some issues regarding charging for Large Animal Rescue that the ADOSR was following up.

151.5 **RESOLVED** – That the Panel:

- i) noted the Internal Audit Service's opinion on the Fire Authority's internal control environment for 2017/18; and

- ii) considered whether the Fire Authority's system for internal audit had proved effective during 2017/18.

152 INTERNAL AUDIT STRATEGY AND PLAN

- 152.1 The Panel considered the report of the Assistant Director Resources/Treasurer (ADR/T) which provided Members with the Internal Audit Plan for East Sussex Fire Authority covering the period 1 April 2018 to 31 March 2019. (*Copy in Minute Book*)
- 152.2 **RESOLVED** – That the Panel approved the 2018/19 Internal Audit Strategy and Plan.

153 IT STRATEGY UPDATE

- 153.1 The Panel received the report of the Assistant Director Resources/Treasurer (ADR/T) which informed Members of progress against delivery of the IT Strategy. (*Copy in Minute Book*)
- 153.2 **RESOLVED** – That the Panel:
 - i) acknowledged progress made against delivering the IT Strategy; and
 - ii) did not identify any areas where the Panel required further information or assurance.

154 INTERNAL AUDIT REVIEW – GDPR UPDATE

- 154.1 The Panel received the report of the Assistant Director Resources/Treasurer (ADR/T) which informed Members of the Authority's readiness for the implementation of the General Data Protection Regulations (GDPR) following a review by Internal Audit. (*Copy in Minute Book*)
- 154.2 Members were informed that in March 2018 Orbis Internal Audit had undertaken an audit assessment of ESFRS preparedness for the introduction of GDPR. The organisation had begun working towards compliance with the new legislation in 2015. The audit provided a partial assurance opinion and under the agreed protocol was reported in full to the Senior Leadership Team (SLT) and subsequently to this Panel.
- 154.3 The Panel were provided with an update on the high priority compliance issues that had been highlighted in the audit report. The ADR/T reassured Members that since the audit review had been carried out significant progress had been made in addressing these issues. However, it was clear that the Authority would not be fully compliant by 25 May 2018 when GDPR was implemented, but pro-active work to achieve compliant status was continuing and being tracked on a weekly basis.
- 154.4 The Chairman informed the Panel that the basic requirement, for the Authority to have a GDPR compliance plan had been achieved by the deadline and therefore he was not too concerned, governance had been put in place to address issues and the Authority was making good progress in information security improvements.

- 154.5 Members asked whether template privacy notices, to be added to email signatures, could be circulated as had been done by other Local Authorities. The IT Governance Manager agreed to investigate this and report back.
- 154.6 Officers added that a review of GDPR Compliance was included in the 2018/19 Internal Audit Plan (elsewhere on the Agenda). This was expected to be carried out in Quarter 3 and would be reported to a future meeting of the Panel.
- 154.7 **RESOLVED** – That the Panel:
- i) noted the results of the Internal Audit Review of GDPR;
 - ii) acknowledged progress made towards full GDPR compliance; and
 - iii) did not identify any areas where the Panel required further information or assurance.

155 IMD TRANSFORMATION – PROJECT CLOSURE

- 155.1 The Panel received the report of the Assistant Director Resources/Treasurer (ADR/T) which informed Members of the outcomes and lessons learnt from the IMD Transformation Programme Board. (*Copy in Minute Book*)
- 155.2 **RESOLVED** – That the Panel:
- i) noted the outcomes and lessons learnt from the IMD Transformation Project; and
 - ii) did not identify any further action required by officers as a result.

156 ASSESSMENT OF THE CORPORATE FRAMEWORK AND ANNUAL GOVERNANCE STATEMENT FOR 2017/18

- 156.1 The Panel received the report of the Deputy Chief Fire Officer (DCFO), Deputy Monitoring Officer (DMO) and Assistant Director Resources/Treasurer (ADR/T) setting out how the Fire Authority had assessed the effectiveness of its governance arrangements and seeking approval of the Annual Governance Statement in line with the Accounts and Audit Regulations 2015. (*Copy in Minute Book*)
- 156.2 Members were reminded that the Authority was required, under the Accounts and Audit Regulations 2015, to conduct an annual review of the effectiveness of its system of internal control and to prepare an annual governance statement to accompany its Statement of Accounts. The review had been carried out by the Governance Group of senior officers in line with the Authority's Local Code of Corporate Governance.
- 156.3 The review had not identified any gaps in assurance over key risks or significant governance issues, and evidence showed that the Authority continued to have in place good arrangements for corporate governance and that they were working effectively. However, the Authority had identified a range of improvements to its corporate governance framework. Action Plans had been

put in place to address necessary improvements and would be monitored during the year.

156.4 The ADR/T explained that the draft Annual Governance Statement was included in the draft Statement of Accounts 2017/18 published on 31 May 2018, and that it had been approved by the Senior Leadership Team on 22 May 2018 prior to being presented to this meeting.

156.5 **RESOLVED** – That the Panel:

- i) confirmed that they were satisfied with the level of assurance provided to them through this report and the Authority's governance framework and processes;
- ii) noted that the following policies had been removed from the governance framework:
 - Sustainability (covered under Strategy template)
 - Environment (covered under Strategy template)
 - Partnership (replaced by Collaboration Framework)
- iii) did not identify any significant governance issues that should be included in the Authority's Annual Governance Statement; and
- iv) approved the Annual Governance Statement for signing by the Panel Chairman and Chief Fire Officer.

157 **2016/17 SERVICE BENCHMARKING REPORT**

157.1 The Panel considered the report of the Assistant Director Planning & Improvement (ADP&I) which presented Members with the Fire Statistics for 2016/17 and comparative benchmarking of East Sussex Fire & Rescue Service against its family group in order to provide context to support the Authority's future decision making. (*Copy in Minute Book*)

157.2 The ADP&I explained to Members that the report provided a summary of the national context across Fire & Rescue Service performance with key findings from the Fire & Rescue Incident Statistics and an in depth comparison against the twelve other services within ESFRS family group.

157.3 Members were concerned that ESFRS were completing the lowest number of Fire Safety Audits and wanted clarification on the difference between a Home Safety Visit and a Fire Safety Audit. The ACFO explained that Home Safety Visits were conducted at domestic dwellings and Fire Service Audits were completed on non-domestic properties. He added that following visits to other Fire & Rescue Services to see how they conducted theirs, Fire Safety Audits were to be delegated to Firefighters as part of pilot programme commencing in July. As a result of this change, it was anticipated that ESFRS would work its way towards the middle of the table by next year.

157.4 Members queried why, despite a reduction, ESFRS were not as low on the table regarding Accidental Dwelling Fires and False Alarms as comparable services. The ACFO explained that this was as a result of the data being a year behind where the Service was now. Reducing accidental dwelling fires had been a high

priority this year, ESFRS had increased the number of Home Safety Visits and had achieved the lowest number of Accidental Dwelling Fires in the existence of the Service.

157.5 Work on reducing false alarms was a Service priority and it was undertaking a demand management review, working to establish whether the false alarms were at Commercial premises or residential buildings and addressing them appropriately. Members requested that if it were possible they would like the false alarm figures to be presented by commercial and residential separately.

157.6 **RESOLVED** – That the Panel:

- i) considered the results of the report; and
- ii) directed the Service into any areas of performance not highlighted in the report that it would like to see further investigation into.

158 PERFORMANCE REPORT FOR QUARTER 4 AND THE YEAR END RESULTS FOR 2017/18

158.1 The Panel received the report of the Assistant Director Planning & Improvement (ADP&I) which presented Members the fourth quarter and year end performance results for 2017/18. (*Copy in Minute Book*)

158.2 Members were informed that the full results for Quarter 4 had not been available due to reporting issues following the go live of the SCC 4i mobilising system, there had been an issue with the interface between 4i and the e-IRS (electronic-incident recording system), this was being worked on and it was anticipated that it would be resolved by the end of May. In the interim, data was being captured through an internal manual process and would be added into the proper system once resolved.

158.3 **RESOLVED** – That the Panel:

- i) considered performance results and progress towards achieving the Service's purpose and commitments;
- ii) considered the performance results and remedial actions that had been taken to address areas of underperformance in the Fire Authority's priority areas; and
- iii) noted that it was anticipated that full year end results would be available for the performance outcome report, normally presented to the Panel in September.

159 2017/18 FOURTH QUARTER CORPORATE RISK REGISTER REVIEW

159.1 The Panel received the report of the Assistant Director Resources/Treasurer which reported to Members on the latest quarterly review of Corporate Risk. (*Copy in Minute Book*)

159.2 **RESOLVED** – That the Panel considered and approved the latest Corporate Risk Registers.

160 CORPORATE PROJECTS PROGRESS REPORT 2017/18 – QUARTER 4

160.1 The Panel received the report of the Deputy Chief Fire Officer (DCFO) which provided Members with an update on the current status of ten key corporate projects. (*Copy in Minute Book*)

160.2 **RESOLVED** – That the Panel noted the contents of the report.

161 PROGRAMME MANAGEMENT OFFICE PROGRESS REPORT

161.1 The Panel received the report of the Deputy Chief Fire Officer (DCFO) which informed Members of the progress made with the establishment of the Programme Management Office. (*Copy in Minute Book*)

161.2 The Programme Officer Manager (POM) gave an overview to Members around where the Service was in terms of the establishment of its Programme Management Office (PMO). Funding had been agreed as part of the 2015/16 budget and the POM had been appointed in 2016 to establish the PMO. She had been utilised to project manage the move from Eastbourne to the shared HQ at Lewes, presenting a closedown report to SLT in November 2017. In conjunction with this the establishment of the PMO had continued with a proposal for a new PMO model submitted to SLT in October 2017.

161.3 Members were informed that the new team was being set up to deliver major projects and programmes on behalf of the service, providing a consistent approach to project management, ensuring appropriate standards were met and that projects delivered anticipated benefits within planned timescales and budgets.

161.4 Members asked whether all projects would now come under the PMO. The POM explained that small projects would still be run by individual teams, but all projects that were larger with cross business impact would be run by the PMO.

161.5 **RESOLVED** – That the Panel noted the contents of the report.

162 END OF YEAR HEALTH & SAFETY STATS REPORT 2017-18

162.1 The Panel considered the report of the Assistant Director Training & Assurance (ADT&A) which presented the year end health and safety statistics (April – March 2017/18). (*Copy in Minute Book*)

162.2 **RESOLVED** – That the Panel:

- i) Considered both Quarter 4 and the year end health and safety statistics for 2017/18 as set out in the report;
- ii) continued to monitor and scrutinise performance over the forthcoming year; and
- iii) did not identify any areas where Members required further assurance.

