

DRAFT MINUTES – Part A
POLICE, FIRE AND CRIME COMMISSIONER FOR ESSEX and
ESSEX COUNTY FIRE AND RESCUE SERVICE
FIRE AUDIT COMMITTEE

17 December 2021, 1300 to 1500, via Microsoft Teams

Present:

Jonathan Swan (JS)	Chair
Julie Parker (JP)	Independent Committee member
Simon Faraway (SF)	Independent Committee member
Kash Pandya (KP)	Independent Committee member
Sonya Edwards (SE)	Independent Committee member
Jane Gardner (JG)	Deputy Police, Fire and Crime Commissioner
Darren Horsman (Dh)	Deputy Executive & Monitoring Officer, PFCC's office
Janet Perry (JPe)	Strategic Head of Performance and Resources, PFCC's office
Ricky Hylton (RH)	Interim Chief Fire Officer and Chief Executive
Neil Cross (NC)	Chief Financial Officer and s151 Officer, ECFRS
Austin Page (AP)	Finance and Compliance Manager, ECFRS
Karl Edwards (KE)	Director of Corporate Services, ECFRS
Tracy King (TK)	Assistant Director of Change, ECFRS
Dan Harris (DH)	Internal Auditor, RSM
Samantha Peace (SP)	Minutes, PFCC's office

Apologies:

Roger Hirst (RH)	Police, Fire and Crime Commissioner
Pippa Brent-Isherwood (PBI)	Chief Executive & Monitoring Officer, PFCC's office
Anna O'Keefe (AO)	Internal Auditor, RSM
Paul Grady (PG)	External Auditor, Grant Thornton
Parris Williams (PW)	External Auditor, Grant Thornton
Nora Romek (NR)	External Auditor, Grant Thornton

1 Introduction and welcome

JS welcomed the committee members and introductions were made.

2 Minutes from the meeting on 24th September 2021

2.1 24092021 – Part A minutes:

2.1.1 It was agreed that on Page 4, paragraph two, the wording should be amended to the following:

“The Audit committee recommends the 2020/2021 accounts to the PFCC and the Interim Chief Fire Officer for signature. Subject to the caveat that assurances are provided by Grant Thornton on any outstanding matters”

- 2.1.2 JS proposed to liaise with the author of the Annual Report to remove the section relating to the Audit Committee, make any necessary amendments and share with the committee for approval.
- 2.1.3 It was agreed that on page 6, Item 13, the wording should be amended to the following:
“KP raised the point in the previous Audit Committee around how they were submitted”
- 2.1.4 Subject to the above amendments, the Part A minutes were agreed
- 2.2 24092021 – Part B minutes:**
Refer to Part B minutes for this meeting.
- 2.3 23072021 - Self-Assessment - Part A**
- 2.3.1 DH left the meeting upon request. KP raised two typos for amendment on page 4, Question 15 and Question 16.
- 2.4 23072021 – Self Assessment - Part B**
Refer to Part B minutes for this meeting.

3 Action Log

Action 08/21 Presentation around fleet and vehicles
Agenda item 11 at this meeting. Close.

Action 18/21 Annual report from the Chair of the Committee
Covered under 2.1.2 of this meeting. Process and timeline agreed. Close.

Action 19/21 Independent meeting between Committee members and external/internal Auditors
Added to workplan for each meeting, as required. Close.

Action 20/21 National Fraud Initiative paper
NC updated that this will be added to the March 2022 workplan. Open.

Action 21/21 Risk register – broadening the Service’s role
KE clarified that it is not necessarily about broadening the role but focusing on implementing productivity measures. It was agreed to revisit this discussion under item 8 of this meeting.

JPe added that the intention was to provide a better understanding for the Independent Audit members from a National perspective. It was agreed KE will bring a background briefing paper to the next Audit Committee meeting in March 2022. Open.

Action 22/21 Review of Effectiveness amendments
Ongoing internal process. The owner should read “JPe”. JS confirmed it is not within the role of this committee. Close.

Action 23/21 Review of the wording within the delegation section of the Scheme of Governance
Leave open until resolved.

4 Review of 2022 Draft Work Plan

- 4.1 JPe requested that the item around broadening the role/productivity (action 21/21) be added to the workplan and agenda (under background briefings) for the March 2022.

Action 21/21 (Additional item): SP/CB to add the briefing paper around broadening the role/productivity (action 21/21) to the workplan and agenda for March 2022.

- 4.2 It was agreed that the committee will consider planning other briefings for meetings in 2022.

5 Terms of reference

- 5.1 NC highlighted key points of note:
Section 2.3 – specifying the maximum serving time and number of reappointments for the Chair of the Committee.
Section 4.2 – updated to include virtual and physical meetings
Section 4.4 – added that Independent members of the Committee may choose to hold meetings with the external and internal auditors without management.
- 5.2 JS raised that there is a misalignment in the terms of office between the Fire Service Audit Committee and the Joint Audit Committee. Many independent members sit on both committees. It was agreed that they will be aligned moving forward. JG supported that Roger Hirst was content with this approach in the earlier Joint Audit Committee.

6 Audit recommendation tracker

- 6.1 AP outlined the report provided. There were three recommendations completed in the period and all outstanding recommendations were now overdue. Five out of the six recommendations overdue related to procurement. With the Barkers consultation complete it has been agreed to move to a Category Procurement Manager structure in the New Year. Implementing best practice.
- 6.2 JP asked what risks are being carried in not completing the Non-Operational Health and Safety recommendation on page 7. AP assured the committee that the risk is being mitigated through reviews carried out by the Health and Safety Group. KE added that the risk is currently minimal due to the small numbers of people going into central HQ at this time. JP asked if risk assessments have been reviewed in the context of lone and hybrid working. KP also asked about risks associated with delays in breaches and data storage. KE assured the committee that an outside agency has been commissioned to look at how organisations now put in place structures to work in more hybrid environments and information governance.
- 6.3 In response to a question raised AP clarified that there is Procurement work underway within the organization and are being supported by Barker's in the interim period of recruiting a Category Procurement Manager.
- 6.4 DH returned to the meeting.

8. Audit Committee Risk report

- 8.1 JS addressed item 8 of the agenda to allow DH to return to the meeting.
- 8.2.1 KE raised three changes, two risks escalating in the last quarter

- Risk of Data Breach: Control measures to provide mitigation were shared and the plan to reduce the risk again in 6-8 weeks' time.

KE confirmed that Information Governance Services (IGS) for training are paid for by the Service. In response to a question raised by JP, KE clarified that IGS take responsibility for the legislative aspects of Data Management should something go wrong.

- Mobilization and communication system: 12 months are remaining with the current supplier. The Commissioner and ECFRS have written to the supplier to express concerns and disappointment with the level of service provision so far and the risks this carries. Legal advice has been sought.

8.2.2 JS asked what the Service position was in finding a replacement service. KE updated that Motorola have been appointed and have now entered the implementation phase with a go live date of January 2023. RH suggested bringing the implementation plan back to the Audit Committee. JS agreed to discuss this outside the meeting with Roger Hirst.

Action 24/21 – JS to discuss with Roger Hirst the option for ECFRS to bring the Motorola implementation plan to the Audit Committee for oversight and feedback.

8.2.3 One de-escalation was reported in relation to the Service ineffectively developing and managing people. Improvements were shared in Leadership training and the development of the Strategic Work Force Plan assisting succession planning.

7 Internal Audit Progress Report – December 2021

7.1 DH reiterated that every 5-years RSM are required to have an Independent Assessment to confirm that there is compliance with Public Sector Internal Audits Standards. Grant Thornton have been appointed and a briefing is expected in the new year.

7.2 DH clarified a point raised by JP in relation to Cyber Security that it is unlikely to be updated until June 2022. KE updated that the Cyber Audit has commenced.

7.3 SF congratulated the team for this work.

7.4 DH outlined the reports: Competency Management System and Fleet Management. With reference to JS question, KE clarified the distinction between the Fleet Audit which was mostly around the Management of Fleet Service as opposed to Competency Management which was focused on grey book members and competency of the role of a Fire Fighter.

9 Discussion on Legal and Regulatory matters: Immediate detriment.

9.1 NC provided a verbal update around the McCloud Sargent Immediate Detriment. In line with the framework, a recommendation was made to pay Category two Fire Fighters (already retired and in receipt of pension). At the end of November 2021, the Home Office withdrew their informal guidance and issued a statement of recommendation that the Services stop making Immediate Detriment payments until further clarity and guidance is issued. It was agreed at the last Strategic Board that ECFRS will not adopt any frameworks until further guidance is released.

9.2 RH reiterated that the legal position is clear but how the detriment is calculated and repaid.

9.3 KP asked if a provision has been set aside to meet these detriment payments. NC confirmed that currently there are no provisions but when updating the Reserves Strategy in March 2022 consideration will be given.

9.4 A discussion took place in respect to the risks posed to pensioners should the Home Office change the guidelines. JG supported the action taken. Dh assured the committee that legal advice was sought and the equality impacts considered.

10 Single Tender Actions (STA)

10.1 NC updated the committee about the 5 STA's in the period.

- Operational training
- Civica HR System
- ICT renewal
- Operations
- Technical Services

10.2 JS questioned how much of this can be spotted in advance and budgeted for without having pipelines in place. NC reassured Board Members that different practices have been put in place for STA's to put in place better practices to mitigate and minimise STA's.

10.3 RH added some context around the STA's. The hire of Lee Valley Centre for operational training is for fast water training which is the only location in the region. The National Inter-Liaison Officers course (NILO) is for specialist officers and is a key recommendation from the Manchester Arena Enquiry. These courses enable ECFRS to be consistent with UK training.

11 Any other business

11.1 Fleet background briefing

KE presented a PowerPoint presentation and video covering the future of the Service fleet, equipment, mobilisation system and plans for a shared Fleet Workshop with Essex Police.

11.2 Update on Year End Accounts

NC updated that the accounts were signed off in September 2021 but not the audit opinion because the auditors were awaiting upon the LGPS assurance letters. These were received on 16th November 2021, and the accounts were signed off by the auditors on 18th November 2021. No further changes were made.

JP queried the piece around value for money judgement that is required to come to the Audit Committee. NC assured the committee that this should be completed by February 2022 and it is planned to bring it to the next meeting in March 2022.

11.3 External Audit Progress report and Sector update

Not covered in the meeting

11.4 JS raised a discussion point earlier between himself and KP who highlighted that none of the Risk Registers mention the issues of climate change. DH had raised with JP the activity currently happening in the public sector with Environmental Service Governance (ESG). JS suggested with the support of DH some wording could be produced that might be added to a risk register to reflect the fact that as a Fire Service there is some recognition of these issues.

12 Proposed dates of meetings in 2022

JS shared that some colleagues would be unable to attend the meetings on:

- 22 July 2022
- 16 September 2022 due to the timing of accounts on Essex Police's side.

Action 25/21 – SP and Carla Bailey to rearrange the July and September Audit Committee dates for 2022.

Next meeting: 18 March 2021.

There being no further business, the meeting closed at 14:50.