

MINUTES OF THE MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE



Held on Monday, 24th January 2022, at 6.30 pm
Royal Berkshire Fire and Rescue Service (RBFRS) Headquarters
Newsham Court, Pincents Kiln, Calcot, Reading RG31 7SD

Members: (*present)

- | | |
|----------------------------------|---|
| * Councillor Christine Bateson | * Councillor Tony Linden |
| * Councillor Jane Stanford-Beale | Councillor Harjinder Minhas |
| * Councillor Tina McKenzie-Boyle | Councillor Garth Simpson |
| Councillor Anne Chadwick | Councillor Simon Werner |
| * Councillor Avtar Cheema | * Councillor Dexter Smith
(substitute) |
| | * Councillor Colin Dudley
(substitute) |

In Attendance: Mark Arkwell (Deputy Chief Fire Officer, DCFO)
Lincoln Ball (Local Pensions Board Chair, LPBC)
Graham Britten (Monitoring Officer, MO)
Wayne Bowcock (Chief Fire Officer, CFO)
Alex Brown (Head of Property Capital Projects and Estates, HPCP&E)
Doug Buchanan (Area Manager Response and Resilience, AM R&R)
Conor Byrne (Head of Finance and Procurement, HF&P)
Becca Chapman (Data, Performance and Risk Manager, DP&R)
Sam Faulknall-Mills (Performance and Planning Officer, P&PO)
Lucy Greenway (Senior HR Advisor, SHRA)
Becci Jefferies (Head of Human Resources and Learning and Development, HHR&L&D)
Amir Kapasi (Internal Auditors, RSM)
Allison Kennett (External Auditors, Ernest and Young (EY))
Katie Mills (Head of Corporate Services, HCS)
Nikki Richards (Deputy Chief Executive, DCEO)
Fayth Rowe (Democratic Support Lead, DSL)
Hannah Sheehan (Democratic Support Assistant, DSA)
Tregear Thomas (Area Manager Prevention and Protection, AM P&P)
Tony Vincent (Head of Business and Information Systems, HBIS)

30. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Chadwick, Minhas and Simpson. Councillors Dudley and Smith attended as substitutes.

31. DECLARATIONS OF INTEREST

Action

There were no Declarations of Interest from Councillors relating to items to be considered at the meeting, in accordance with the provisions of the Fire Authority's Local Code of Conduct, and any from Officers.

32. MINUTES OF THE MEETING HELD ON 20 OCTOBER 2021

The Chairman abstained due to being absent at the last meeting. Councillor Linden proposed the recommendation and it was seconded by Councillor Dudley.

There were no recorded actions.

RESOLVED that the Minutes of the meeting held on 20 October 2021, be approved as a true and correct record and signed by the Vice-Chairman.

33. CONSIDERATION OF ANY MATTERS PROPERLY REFERRED TO THIS COMMITTEE FOR DECISION

There were no matters of consideration referred to this Committee for decision.

34. INTERNAL AUDIT UPDATE

Conor Byrne, Head of Finance and Procurement (HF&P), introduced the report, stating that one audit, which was a review of vetting and pre-employment checks had been completed since the last meeting. Conor also stated that attached at Appendix A was RSMs' Emergency Services News Briefing which will provide some background information for Members.

Amir Kapasi, Internal Auditor (RSM), highlighted page 21 of the agenda, which outlines the audit on vetting and pre-employment checks. The audit received a positive assurance rating, with two low and one medium priority actions. The one medium priority action was in relation to evidence of qualification checks.

Councillor Dudley thanked RSM for the Audit and asked when we could expect results from the Risk Management and Governance Audit commencing on 17 March, as it would be useful to have a draft report before our inspection. Amir stated that the field work for the Audit will take 5-7 days and that a draft report can be expected by 8 May.

The Chairman moved the recommendation and it was seconded by Councillor Stanford-Beale.

RESOLVED that the findings as presented in RSM's Progress Report be noted.

Amir Kapasi left the meeting.

35. EXTERNAL AUDIT UPDATE

Conor Byrne introduced the report stating that the 2019/20 Statement of Accounts were signed off at the last meeting. The Audit for the 2020/21 Statement of Accounts is now being planned and it is hoped that they will be presented at the next Committee meeting in March.

Allison Kennett, External Auditor (EY) highlighted page 51 of the agenda pack which provides an overview of the 2020/21 Audit Strategy. Audit risk and areas of focus are; misstatements due to fraud or error, inappropriate capitalisation of revenue expenditure and inappropriate recording of other income, pension liability evaluation, valuation of land and buildings and compliance with ISA 570. Allison also highlighted page 53 which outlined materiality levels for Royal Berkshire Fire Authority, planning materiality of £907k, performance materiality of £680k and audit differences of £45k. All uncorrected misstatements relating to primary statements greater than £45k would be reported to the Audit and Governance Committee. She added that page 55 outlines the value for money conclusion, with a main change in NAO's 2020 Code.

Allison stated that the Audit on the 2020/21 statement of accounts was well underway and that no major issues had yet been identified. A letter had been received from Deloitte but their Audit hasn't been finished and there will be several questions once they've finished their Audit. It is hoped that the Statement of Accounts 2020/21 can be brought to Audit and Governance Committee on 23 March.

The Chairman asked when Deloitte's Audit would be completed. Allison said that EY are in constant liaison with Deloitte but are still awaiting a date.

The Chairman moved the recommendation and it was seconded by Councillor Linden.

RESOLVED that the contents of the Audit Planning Report in Appendix A be noted.

Allison Kennett left the meeting.

36. EMERGENCY SERVICES MOBILE COMMUNICATION PROGRAMME- PRESENTATION

Tony Vincent, Head of Business and Information Systems (HBIS), gave a presentation on the Emergency Services Mobile Communication Programme (ESMCP).

Tony explained that Airwave was the existing radio communication system and that it will be replaced by Emergency Services Network (ESN), as part of the ESMCP Home Office project.

Tony provided the following updates from the programme:

- Paul Channing formerly the NFCC Liaison to the South Central region, has been appointed Regional Programme Manager.

- RBFRS is mobilising resourcing to carry out coverage surveys across Critical Operational Locations, to be completed by May 2022. The outcome will be fed back to the National Programme and Local FRS Operational teams.
- There are concerns around the increased costs for local FRSs, due to the withdrawal of the Firelink Grant.
- Nationally, the cost of ESN vs Airwave is reduced but some FRSs could see increased cost. There is ongoing lobbying at National Programme and Home Office level to ensure no FRS is worse off.
- Any cost impacts for RBFRS likely to manifest during the year of ESN implementation. Members will be advised of this as soon as there is more information available.
- The NFCC are consulting on ESMCP Programme governance to reduce inefficiency and address resourcing constraints.
- TVFCS connection to Airwave is via SANH Link, which is reaching the end of supportable life. SANH will be replaced by DCS, which will then be replaced by ESN once available. Originally, TVFCS planned to move direct from SANH to ESN, but ESMCP delays dictate DCS implementation during 2022.

Councillor Dudley asked who does the survey of Critical Operational Locations, when will it be done and how much will it cost? Tony explained that the burden is with local FRSs and that it will be resourced within service delivery. He explained that some COLs are trivial and others are not, all Fire Stations are COLs and the most complex will be AWE.

Councillor Dudley asked if colleagues within the Thames Valley were doing the same thing and if there was a target date? Tony said that the target date for completion was May 2022, and that Thames Valley colleagues were aware of this date.

The Chairman asked whether we would be behind with the 4G network? Tony explained that the moving from 4G to 5G will have a device impact. The Chairman asked whether the cost risk of the extra devices had been considered. Tony said that ESMCP is a corporate risk which is monitored at SLT meetings and that there are treatments in place around cost.

Councillor Dudley asked that with SANH originally being split between 5 FRSs and now 3 FRSs, if this will have an additional burden on the SAIF? Tony said that the cost increase will come out of the revenue budget, not the capital budget. Councillor Dudley requested that he is provided with the figures of the cost difference between splitting it 3 ways, rather than 5 ways.

Councillor Stanford-Beale asked how long the health checks would take and what the cost was, for the changeover to SANH? Tony said that a health check will be around £15,000 and that the timeline depends on how the health check goes. If there is a clean bill of health, it should take around 4-6 weeks, if remedial work is required, it will take longer but this is dependent on Capita, so it is hard to say an exact time.

Please contact committeeteam@rbfrs.co.uk if you would like a copy of the presentation.

37. PAY POLICY STATEMENT 2022/2023

Becci Jefferies, Head of HR and Learning and Development (HHRL&D), introduced the report stating that it was an annual requirement to prepare and publish a Pay Policy Statement. The draft Pay Policy Statement for 2022/23 is set out in Appendix A. The following updates were made in relation to a revised Car Scheme, a section related to the removal of discrimination from public sector pension schemes, additional information on incremental pay increases and inclusion of the re-structure of the Senior Management Team, these are detailed within the report.

The Chairman moved the recommendation and it was seconded by Councillor Stanford-Beale.

RESOLVED that the draft Pay Policy stated be noted and recommended to the Fire Authority for approval.

Councillor Dudley stated that he would like to put on record his congratulations to Becci for her British Empire Medal and thanked her for all her hard work.

38. MEMBER CODE OF CONDUCT REVIEW AND CONSULTATION

Graham Britten, Monitoring Officer (MO) introduced the report, highlighting 3.1 to 3.6 stating that in November 2020 the Fire Authority considered the best practice recommendations from the Committee on Standards in Public Life (CSPL) and agreed that a review of the Code of Conduct be held annually; and where possible take into account the views of the public, community organisations, and neighbouring and appointing authorities. The Fire Authority had also resolved that in any review of the Code of Conduct the outcomes of the Local Government Association's consultation on its model Code of Conduct be taken into account; the prohibition of 'harassment' be added to the prohibition of bullying; definitions and examples of both bullying and of harassment be included; the requirement on Members to comply with any formal standards investigation be included; and the requirement to comply with the Authority's protocol on Gifts and Hospitality be included.

The Committee was informed that the draft proposed new Members' code of conduct incorporated all of those resolutions of the Authority; and that departures in the draft from the Local Government Association Model code of conduct were shaded yellow.

The Committee was advised that the inclusion of the Core Code of Ethics demonstrated that RBFA and RBFRS adopt the principles of the Core Code of Ethics in everything they do. Members were advised that a typo on page 110 at

3.13 in reference to paragraph 10.3 should be 10.2; and were reminded of the proposed the consultation survey questions.

The Chairman proposed an amendment to the recommendation after considering 3.13 of the report and Item 10 Appendix A. She proposed that gifts and hospitality remain at a £25 threshold, until there is a full consensus of all Councils after their 2022/23 review of their Code of Conduct, as only Slough Borough Council has opted to move to £50. The Vice-Chair seconded the amendment stating that he believed £25 is more than generous. He also stated that it is vitally important that Members comply with the Code of Conduct.

The Chairman moved the amended recommendation and it was seconded by the Vice-Chair.

RESOLVED that the Committee:

- 1) **AGREE** a six week consultation commencing 28 January 2022 be held on the adoption by the Authority of the Draft RBFA Member Code of Conduct (as amended).
- 2) **AGREE** the Draft RBFA Member Code of Conduct Consultation questions.
- 3) **AGREE** that consultation findings be brought back to Audit and Governance Committee for recommendation to Fire Authority.

39. GRIEVANCE, BULLYING AND HARRASSMENT POLICY; ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY; EMPLOYEE CODE OF CONDUCT; BEHAVIOURAL COMPETENCY FRAMEWORK

Becci Jefferies, Head of HR and Learning and Development (HHRL&D), introduced the report. The Grievance, Bullying and Harassment Policy has been updated to incorporate feedback from Stonewall, this includes further information on discrimination and a section on Dual Discrimination and examples of inappropriate Behaviour.

The Employee Code of Conduct and Behavioural Competency Framework have been updated to align with the national Core Code of Ethics for Fire and Rescue Services.

The Anti-Fraud, Bribery and Corruption Policy has been added to the new policy template, minor grammatical changes and initial equality impact assessments undertaken.

Councillor Bateson asked whether the Say-So employee complaints hotline was in person or over the phone. Becci explained that individuals make anonymous calls or notifications via the website and these are then shared with the Service for consideration or investigation as appropriate.

Councillor Dudley highlighted the Policy Detail on page 143 and asked why Discrimination and Dual-Discrimination were listed separately and what the

difference was. Becci explained that this addition to the policy came from feedback from Stonewall and that she would forward on their rationale for further information. Councillor Dudley requested that the information be sent to him and included as a post meeting minute note, so all Members were cited. Nikki Richards, Deputy Chief Executive (DCEO) explained that Dual Discrimination was around intersectionality and where there is more than one discriminatory factor affecting an individual, but that we can provide further information on this.

The Chairman moved the recommendation and it was seconded by Councillor Bateson.

RESOLVED that:

- 1) The revised Grievance, Bullying and Harassment Policy and Anti-Fraud, Bribery and Corruption Policies are approved.
- 2) The changes to the Employee Code of Conduct and the Behavioural Competency Framework be noted.

40. GENDER AND ETHNICITY PAY GAP REPORTS 2021

Lucy Greenway, Senior HR Advisor introduced the report. Each year the Authority is required under The Equality Act 2010 to publish calculations showing how large the pay gap is between their male and female employees. Ethnicity Pay Gap reporting is not currently mandatory in the UK, it is expected to be introduced by 2023. To get ahead of the curve RBFRS has also completed an Ethnicity Pay Gap Report for 2021.

The Gender Pay Gap Report is based on data as of 31 March 2021. The mean is calculated by adding up the hourly rate of male/female employees and dividing the figure by the total number of male/female employees. The median is calculated by listing all hourly rates of each gender and finding the central rate. The median is considered to be a better measure.

A positive pay gap indicates men are paid more than women and a negative pay gap indicates women are paid more than men. At 3.6 of the report the findings show that there is a mean gender pay gap of 0.78% and a median of 9.63%. This means that every £1 earned by men at RBFRS, women earn a mean of 99p and a median of 90p. The median gender pay gap is better than the national figure in 2020 of 15.5%.

3.9 of the report outlines the mean and medium pay gap across the four quartiles. Quartiles are very fluid and staff movement is relatively small year on year. It is recognised that women are underrepresented in the operational workforce, an action plan has been developed to address this and is at Appendix B.

The Ethnicity Pay Gap Report is based on data as of 31 March 2021. The mean ethnicity pay gap is calculated by adding up the hourly rate of all White/Ethnic Minority employees and dividing by the total number of White/Ethnic Minority employees. The median is calculated by listing all hourly rates of each ethnicity group and finding the central rate.

A positive pay gap indicates that those in the White group are paid more than those in the Ethnic Minority group. The mean ethnicity pay gap is 1.74% and the median is 9.63%. This means that for each £1 earned by white staff at RBFRS, Ethnic Minorities earn a mean of 98p and a median of 90p. There are no national figures for comparison.

It is recognised that Ethnic Minority groups are underrepresented across the Service and RBFRS are taking action to address this with the development of a positive action plan and community engagement activities through the Local Safety Plans.

Councillor Dudley highlighted page 201, where it states that the medium pay gap is positive for the Ethnic Minority group and asked whether this meant that the Ethnic Minority group were paid more? Lucy explained that the mean ethnicity pay gap is 1.74% and the medium is 9.63%, both pay gaps being positive meaning that white staff are paid slightly more than ethnic minority staff.

Councillor Linden stated that Officers were working hard in terms of diversity and that 4% of staff being ethnic minority is too low, and that we need to reflect our society.

The Chairman asked whether the Ethnicity Pay Gap would impact HMICFRS? Nikki explained that this is an issue across the whole sector, which HMICFRS highlighted previously.

Councillor Stanford-Beale stated that it may be worth comparing data with Local Authorities. But that she understood that it takes time for changes to come into fruition. Nikki explained that changes have been in place for some time, but that there is not a huge turnover of staff. Barriers to entry are not there as much and that we continue to do more in terms of attracting a diverse group of staff.

The Chairman moved the recommendation and it was seconded by Councillor Stanford-Beale.

RESOLVED that the Committee:

- 1) Note the details of the Gender Pay Gap Report and agree it is published on the RBFRS website and on gov.co.uk;
- 2) Note the Gender Pay Gap Action Plan
- 3) Note the details of the Ethnicity Pay Gap Report and agree it is published on the RBFRS website.

41. LOCAL PENSIONS BOARD SIX MONTH UPDATE

Lincoln Ball, Pension Board Chair introduced the report. He stated that there had been one potential breach since the last report, this is highlighted in 3.10 of the report. Lincoln stated that he will be retiring at the end of February, but will remain on the Board, this is outlined in 3.4 – 3.8.

Lincoln explained that the pension landscape still remained complex, with the

age discrimination element of the 2015 Firefighters' Pension Scheme. The new legislation is expected on 1 April 2022, as this has got closer administrative complexities have increased.

The Chairman moved the recommendation and it was seconded by Councillor Bateson.

RESOLVED that the contents of the report and any likely future changes in the composition of the Local Pensions Board are noted.

Councillor Dudley thanked Lincoln for his service to RBFRS, the Chairman echoed his comments.

42. QUARTERLY PERFORMANCE REPORT - QUARTER TWO

Becca Chapman, Data, Performance and Risk Manager (DP&RM), introduced the report stating that progress has been made against plans in all four quadrants.

Sam Faulknall-Mills, Performance and Planning Officer (P&PO), outlined the key highlights from the report; the completion of Theale Tri-Service Community Fire Station, the new Aerial Ladder Platform (ALP) becoming fully operational and having a height and reach capacity of 45m with the previous ALP having 32m and Wholetime response standard exceeding the target and the first engine arriving within 10 minutes on 77% of occasions.

Councillor Linden asked how our Police and Ambulance partners were working within Theale Fire Station. Alex Brown, Head of Capital Projects and Estates (HPCP&E), said that all site users were getting on well at Theale and monthly meetings take place there between partners.

Councillor Linden asked why On-Call appliance availability had gone down to 34.7%. Mark Arkwell, Deputy Chief Fire Officer (DCFO), explained that there had been significant impact this quarter, with 16 On-Call vacancies, 5 staff leaving between Q1 and Q2 and 11 On-Call staff also moving to 6 month temporary Wholetime contracts to support the response standard in Q2. Also during 2020 On-Call colleagues provided additional support across the wider organisation and to other partners, this meant they were unable to take leave, so they are now taking leave which was carried forward. Another impact was the 'pingdemic' with many unable to work due to having to self-isolate, the On-Call model has limited resilience, and therefore this can easily take an appliance off the run. He said that there was starting to be an improvement in On-Call availability and that we continue to strengthen our recruitment efforts now Covid-19 restrictions are starting to relax.

Councillor Dudley asked how we were doing in terms of PDR's. Nikki said that the completion rate was in excess of 90%. Becci added that the rate was 93.8% for Q2, but that it is expected that some will continue to come through in Q3. Becci also added that the recommendations following the PDR audit in Spring

2021 should improve the output. Councillor Dudley said that a completion rate of over 90% was very good considering Covid-19 implications.

The Chairman moved the recommendation and it was seconded by Councillor Linden.

RESOLVED that:

- 1) The performance against Service Provision and Corporate Health measures for the targets agreed by the Fire Authority for 2020/21 be noted;
- 2) The progress made on the two priority programmes be noted; and
- 3) The position of corporate risk be noted.

43. DATE OF NEXT MEETING

Wednesday, 23 March 2022, at 6.30pm, Lynda Kenyon Suite, Royal Berkshire Fire and Rescue Service (RBFRS) Headquarters, Newsham Court, Pincents Kiln, Calcot, Reading, Berkshire RG31 7SD.

(The meeting concluded at 19:55)

Post meeting note:

Becci provided the following answer to Councillor Dudley's question on item 39:

Dual discrimination (can also be called combined/intersectional discrimination) and isn't explicitly accounted for in the Equality Act. It was a recommendation from Stonewall to include it as best practice and show that we're being cognisant of this and the different ways discrimination can occur/affect individuals.

I have provided an example to illustrate:

Intersectional discrimination, is where a person is discriminated against because of a particular combination of two or more protected characteristics; for example, a policy preventing employees from wearing headscarves would discriminate against Muslim women. The policy would not affect other women or Muslim men, so it could not be said to be purely sex or religious discrimination – rather, it is the unique combination of being both female and Muslim.

Tony provided the following answer to Councillor Dudley's question regarding the size of increase to ongoing costs after the DCS implementation, which was being driven by the costs being split 3 ways instead of 5.

The increase in cost (assuming DCS ongoing costs are equivalent to SANH) will be £3261.33. The calculation is below:

	Annual Cost		RBRFS	OFRS	B&MKFRS	WFRS	NFRS
SanH	£ 24,460.00		£ 4,892.00	£ 4,892.00	£ 4,892.00	£ 4,892.00	£ 4,892.00
DCS*	£ 24,460.00		£ 8,153.33	£ 8,153.33	£ 8,153.33	n/a	n/a
		Increase	£ 3,261.33	£ 3,261.33	£ 3,261.33		