

MINUTES OF THE MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE



Held on Monday, 23rd January, 2023 at 6.30 pm

RBFRS Headquarters, Newsham Court, Pincents Kiln, Calcot, Reading RG31 7SD

Members:
(*present)

Councillor Christine Bateson	* Councillor Mike Smith
* Councillor Tricia Brown	Councillor Morag Malvern
* Councillor Haqeeq Dar	Councillor Sandra Malik
* Councillor Biyi Oloko	* Councillor Tina McKenzie-Boyle
* Councillor Tony Linden	

In Attendance: Paul Bremble (Head of Corporate Services, HCS)
Andrew Brittain (EY, External Auditor)
Graham Britten (Monitoring Officer, MO)
Conor Byrne (Head of Finance and Procurement, HF&P)
Doug Buchanan (Area Manager, Response and Resilience, AM R&R)
Sam Faulknull- Mills (Performance and Planning Officer, PPO)
Lucy Greenway (Senior HR Adviser)
Daniel Harris (Internal Auditor, RSM)
Abdifatar Hassan (Democratic Support Assistant, DSA)
Becci Jefferies (Head of Human Resources and Learning and Development, HHR&L&D)
Andy McLenahan (Head of Facilities, Fleet and Equipment HFF&E)
Katie Mills (Assistant Chief Fire Officer, ACFO)
Jim Powell (Area Manager, Collaboration and Policy, AM C&P)
Nikki Richards (Deputy Chief Executive, DcHEX)
Fayth Rowe (Democratic Support Lead, DSL)
Tregear Thomas (Area Manager, Prevention and Protection, AM P&P)

25. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Christine Bateson, Sandra Malik and Morag Malvern.

Councillor Rachelle Shepherd-DuBey was in attendance as Councillor Morag Malvern's substitute.

Councillor Tina McKenzie –Boyle was present remotely.

Action

26. DECLARATIONS OF INTEREST

In accordance with the provisions of the Fire Authority's Local Code of Conduct, Councillors Tony Linden and Biyi Oloko declared a personal interest regarding Item 6 (External Audit Update). Councillor Linden's was due to his role on The Berkshire Pension Fund Committee and Councillor Oloko as an ex-employee of EY.

There were no Declarations of Interest received from Officers.

27. MINUTES OF THE MEETING HELD ON 17 OCTOBER 2022

Becci Jefferies, Head of Human Resources and Learning and Development (HHR&L&D) confirmed the action in the Minutes had been completed.

RESOLVED that the Minutes of the meeting held and recorded actions on 17 October 2022, be confirmed, as a correct record and signed by the Chair.

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

There were no matters properly referred to this Committee for decision.

29. INTERNAL AUDIT UPDATE

Dan Harris, Internal Auditor (RSM) provided an update on the progress of Audit Plan. He reported the Health and Safety Including Mandatory Training audit received a positive opinion. Three medium and three low priority actions. In referring to the summary of programme of works on page 21 of the report, Dan Harris stated a draft report had been written on the audit of Facilities Management, the Grenfell Action Plan was in draft and another two further reviews were in progress, namely Payroll Provider – Dataplan and Firefighter Pension Administration (WYPF).

Dan Harris informed the Committee some changes were made on the timing of a number of audits, however were still on track to deliver the programme of works.

In response to a question from Councillor Linden on RSM's Public Procurement Training Level 1, Conor Byrne advised RSM provided online workshops.

Councillor Mckenzie-Boyle sought clarification on the amber Reasonable Assurance opinion for the Health and Safety Including Mandatory Training audit. Dan Harris explained the assurance was based on three priority actions. Refresher training was advisory. In terms of RIDDOR, two out of five were

reported late. Dan Harris reported the audit found well designed controls were compliant and stated Reasonable Assurance was a positive opinion.

Councillor Smith asked for the possible scenarios as to why RIDDORs were reported late. Becci Jefferies, HHR&L&D, reported all accidents were tracked by the Health and Safety Team and at Health, Safety and Wellbeing Committee meetings, however, some RIDDORs do not become apparent straight away e.g. the individual may not have reported sick at the time the event occurred.

In response to a supplementary question from Councillor Smith regarding the reason why refresher training was an advisory. Becci Jefferies reported her team had moved all requirements around training to mandatory and looked at alternative ways of training e.g. online training.

Councillor Oloko asked for further information and the difference between RSM's four types of audit opinions. Dan Harris agreed to circulate the definition to Members. In response to an additional question from Councillor Oloko, Dan Harris confirmed the date indicated on page 27 of the report was the date the action was agreed to be completed.

RSM

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

30. EXTERNAL AUDIT UPDATE

Andrew Britten, External Auditor, EY explained the 2020/21 Statement of Accounts audit had been delayed due to ongoing delays in Deloitte's audit of the Berkshire Pension Fund accounts. He stated that the delay also impacted the 2021/22 Statement of Accounts audit. He stated a meeting had been scheduled to explore alternatives and reported the delay had also impacted Unitary Authorities.

Councillor Linden stated HM Revenue & Customs would not be pleased with the delay and queried whether it was worth informing them. Conor Byrne suggested it might be worth writing to Public Sector Audit Appointments (PSAA) and was happy to write to them on behalf of the Committee.

In discussing the delay in Statement of Accounts, Andrew Britten reassured Members all other work relating to the audit of accounts were complete. Deloitte's audit was required to deliver an audit opinion for Royal Borough of Windsor and Maidenhead and explained valuations of property had become complex due to the pandemic. Deloitte were not obliged to state the reason for the delay.

A number of Members present expressed their concern and lack of confidence. Councillor Smith asked whether the delay was at additional cost to the Authority. Conor Byrne reported there had been an additional cost to the Authority.

In response to a request from the Chair to write to PSAA and National Audit

	Action
<p>Office, Conor Byrne reported that he would liaise with the Chair outside of the meeting.</p>	HF&P
<p>RESOLVED that the Committee note the update from External auditors.</p>	
<p>31. EMERGENCY SERVICES MOBILE COMMUNICATIONS PROGRAMME PRESENTATION</p>	
<p>Jim Powell, Area Manager Collaboration and Policy (AM C&P), provided a comprehensive background and update presentation on Emergency Services Mobile Communication Programme (ESMCP).</p>	
<p>In response to a question from Councillor Oloko, Jim Powell confirmed he will circulate further detail on the governance structure of ESMCP.</p>	AM C&P
<p>Jim Powell explained the users of ESMCP include all blue light services (Fire, Police and Ambulance). Two new timelines for the delivery of the programme had been proposed to 2026 and 2027. The programme had been paused to re-procure Lot 2 'user services'. During this time, central programme activity will continue and the National Fire Chiefs Council (NFCC) ESMCP team will continue to represent the Fire sectors interest and provide assurance into and out of the programme.</p>	
<p>In response to a question from Councillor Shepherd-DuBey on the delay of the programme, Jim Powell reported, the current radio system, Airwave had built-in resilience and was available for as long as required.</p>	
<p>Jim Powell confirmed he would circulate the presentation to the committee.</p>	AM C&P
<p>For a copy of the presentation, contact committeeteam@rbfrs.co.uk</p>	
<p>32. ANNUAL STATEMENT OF ASSURANCE 2021/22</p>	
<p>Paul Bremble, Head of Corporate Services (HCS), reported the Annual Statement of Assurance was a requirement from the Fire and Rescue National Framework for England. Appendix A is structured as headline judgements about the adequacy of arrangements associated with the financial, governance and operational matters. He stated the report was seeking the draft Statement of Assurance be published on rbfrs website.</p>	
<p>Paul Bremble took Members through each of the summary judgements of financial, governance, operational and National Framework listed on page 52 of the report.</p>	
<p>In response to a question from Councillor Smith, Doug Buchanan, Area Manager Response and Resilience (AM R&R) reported the summary judgement for operational was fully met, subject to marauding terrorist attack (MTA) incidents. He explained MTA is an operational procedure under discussion with</p>	

the Fire Brigade Union on the role of Firefighters during such incidences, and he provided Manchester Arena Terrorist attack and the Forbury Gardens attack in Reading, as examples. London Fire Brigade and Manchester Fire and Rescue Service had built MTA into Firefighter's role. Royal Berkshire Fire and Rescue Service (RBFRS) had limited capability due to a 60 minute turn out time. He stated in terms of training and qualifications, RBFRS was in a reasonable place and was currently working on mass casualty triage exercise with staff.

In response to a question from Councillor Shepherd-DuBey, Doug Buchanan clarified that RBFRS have MTA capability, however in relation to the Statement of Assurance judgement, the Service wanted to present a realistic assessment.

Councillor Oloko queried the financial summary judgement of 'fully met', albeit the Statement of Accounts had not been signed off by this Committee and requested for the evidence around the Framework.

In referring to page 61 of the report, Financial Assurance, Conor Byrne explained historically the Authority always met its statutory deadlines in relation to the external audit. He stated the evidence was from audit opinion received from the 21/22 audit was the highest audit opinion.

Paul Bremble explained the Statement of Assurance was draft and would be brought back to this Committee if not 'fully met', following the conclusion of the audit of the Statement of Accounts. Becci Jefferies stated the evidence in relation to Equality, Diversity and Inclusion (EDI) was part of the public consultation held on the EDI objectives, year one of the Summer Internship, Change 100 Interns and Disability Confident network are all actions in the EDI action plan supporting these objectives.

The Chair stated the EDI evidence was in the EDI Action Plan and suggested this could have been hyperlinked to the Statement of Assurance. Councillor Oloko requested for further detail on the mythology on how the judgements were made against the Framework and suggested a small amendment to 2.3 of the recommendation, to remove '*following*' and insert '*subject to*'.

HCS

Councillor Oloko moved the amended recommendation which was seconded by Councillor Linden. On being put to the vote, all Councillors present unanimously:

RESOLVED:

- 1) That the summary judgements within the Statement of Assurance for each of the four key areas of Finance, Governance, Operations and delivering the National Framework be noted;
- 2) That the draft RBFA Statement of Assurance 2021/22 be approved; and
- 3) That it be agreed the Statement of Assurance will be finalised and re-published by the Head of Corporate Services, *subject* to the conclusion of the audit of the Statement of Accounts 2021/22, in consultation with the Chair of the Audit and Governance Committee.

33. ROYAL BERKSHIRE FIRE AUTHORITY - PAY POLICY STATEMENT 2023/24

Lucy Greenway, Senior HR Adviser presented the report and stated the Pay Policy Statement was a requirement of Royal Berkshire Fire and Rescue Service (RBFRS) to prepare and publish each financial year, outlined in the Localism Act 2011.

In referring to Appendix A, she reported the section relating to the Firefighters Pension Scheme and the impact of RBFRS had been updated. This included the removal of the employer and employee contribution information related to the 1992 and 2006 Firefighter pension Schemes, which was closed, as all members had transitioned to the 2015 scheme. Lucy Greenway also highlighted the sections of the document which had been updated outlined in paragraphs 3.5 to 3.9 of the report.

In referring to page 81 of Appendix A, Councillor Linden made a correction to the number of the total population in Berkshire and stated it was 945,000 residents. He asked whether the Service documented the vacancy level percentage. Becci Jefferies, Head of Human Resources and Learning and Development (HHR&L&D), reported the Service monitored vacancies through the Workforce Planning Group..

In response to Councillor Smith, Conor Byrne reported employer contributions for members of the LGPS scheme were set at 13.5% of annual salary and as an employer, RBFA also pays an annual lump sum to the pension fund of £366,000. In response to a supplementary question from Councillor Smith, Becci Jefferies reported employees that had opted into the Benenden healthcare scheme contributed to the tax element of the scheme which was £11.90.

The Chair asked how many employees had hired bicycles through the "Cycle to Work Scheme". Becci Jefferies confirmed she would circulate the figures to this Committee.

HHR&L&D

Councillor Linden moved the recommendation which was seconded by Councillor Smith.

RESOLVED that the draft Pay Policy Statement for 2023/2024 (Appendix A) be noted and recommended to the Fire Authority for approval.

34. LOCAL PENSION BOARD UPDATE

Lucy Greenway, Senior HR Adviser provided an update on the Local Pension Board. She highlighted the Terms of Reference had been reviewed by the Board and was recommending approval by this Committee.

Since the last update report, held in July 2022, West Yorkshire Pension Fund (WYPF) had attended a Board meeting. She reported there were no breaches since July 2022. In answer to Councillor Linden, she confirmed Lincoln Ball was still the Chair of the Pension Board.

Councillor Smith queried whether WYPF accounts had been signed off and whether there was an independent expert on the Pension Board. Becci Jefferies reported she was unaware whether WYFP had their accounts signed off and in regards to the Pension Board, she stated there were a number of streams for the Board to access specific knowledge. For example, the Board had access at all times to the Local Government Association (LGA) Adviser, Administrator and WYPF provided technical advice. She further stated, through RBFA, if necessary, legal advice would be bought in.

In answer to a question from Councillor Oloko, Lucy Greenway reported the membership of the Pension Board was an equal number of employees and employers in line with the legislative requirements. Becci Jefferies reported the Local Pension Board had a scrutiny role on behalf of the Authority (Scheme Manager). She explained it was possible for RBFA to have a joint Local Pension Board with Buckinghamshire Fire and Rescue Service for example, however, membership of a joint board and governance arrangements would need consideration and the current pension landscape and workloads associated would delay this. .

The Chair moved the recommendation which was seconded by Councillor Smith.

RESOVLED that:

- 1) (Appendix A) revised Terms of Reference for the Local Pensions Board be approved.
- 2) The Local Pensions Board's view on the size of the Local Pensions Board and the size of the board going forward to be set at four members be approved.
- 3) The Local Pensions Board's six-monthly update be noted.

35. GENDER AND ETHNICITY PAY GAP REPORTS 2022

Lucy Greenway, Senior HR Adviser, stated the Gender Pay gap report was a statutory requirement outlined in the Equality Act 2010. The Ethnicity Pay Gap report was not mandatory in the UK, however, for the second year, the Service had opted to publish its Ethnicity Pay Gap figures voluntarily.

In referring to paragraph 3.6 of the report, Lucy Greenway reported the findings indicated males were paid more than females. For each £1 earned by males, females earn 97p (Mean) and 90p (Median). The gender pay gap was considerably better than the available 2021 national figures. She stated it was a

fire sector wide issue that females were still significantly underrepresented in the operational workforce and the Service continue to work hard to attract a more diverse workforce through positive action plan and recruitment opportunities.

In referring to the Ethnicity Pay Gap report, findings identified the overall mean was 3.61% and median was 9.91% (i.e. white staff were paid slightly more than ethnic minorities. For each £1 earned by white staff, ethnic minorities earn 96p (Mean) and 90p (Median). She stated it was recognised that staff from ethnic minority groups were significantly underrepresented across the Service, and RBFRS is committed in working to attract a more diverse workforce through positive action plans and Summer Internship.

In response to a question from Councillor Linden, Becci Jefferies, Head of Human Resources and Learning and Development (HHR&L&D), confirmed an advert for the Equality, Diversity and Inclusion Coordinator post was due to go out.

Councillor Smith asked whether the Service had a target it wanted to achieve. Lucy Greenway reported the Service was in a fortunate position as it figures were below the national average which in 2021 the average mean ethnicity pay gap was 8.1% and average median was 12.9%. In response to Councillor Smith, Becci Jefferies stated the Service reported performance against its corporate measures, equality objectives and EDI action plan.

Councillor Oloko stated he felt the Service should implement a set target. Becci Jefferies reported the equality, diversity and inclusion (EDI) objectives recently went out to consultation and the EDI action plan on pages 133-138 of the report were activities with dates the Service had set targets to achieve each action. The actions identified came from a number of projects and reported Audit and Governance Committee will receive updates on the EDI action plan.

RESOLVED that:

- 1) The details of the Gender Pay Gap Report shown in Appendix A be noted and it be agreed that it is published on the RBFRS website and on gov.uk;
- 2) The details of the Ethnicity Pay Gap Report shown in Appendix B be noted and it be agreed that it is published on the RBFRS website; and
- 3) The EDI Action Plan in Appendix C be noted.

36. EQUAL PAY AUDIT 2022

Lucy Greenway, Senior HR Adviser reported an equal pay audit was undertaken to review the effectiveness of policies and practices with regard to fair pay regardless of Gender, Ethnicity, Age, Disability and Contract type. The audit is a recommendation by the Equality and Human Rights Commission (EHRC) under the Equal Pay: Statutory Code of Practice, section 14 of the Equality Act 2006 (as amended).

She listed the elements of pay considered within the report were basic pay, allowances, overtime, merit payments and spinal column starting points. In referring to basic pay, the findings identified part-time workers earn on average 19.4% more per hour than full-time employees.

In referring to the action plan on pages 153-154, Councillor Smith requested further information on detachment payments. Lucy Greenway explained detachment payments were provided when an individual moved from one station to another station and that merit payments were either a one-off payment or continuous payments.

Councillor Smith suggested for the use of graphs to better understand the Equal Pay Audit.

RESOLVED that the contents of this report and the actions arising from the audit be noted.

37. QUARTERLY PERFORMANCE REPORT 2022-23 QUARTER TWO (JULY - SEPTEMBER 2022)

Sam Faulknall-Mills, Performance and Planning Officer presented the Quarter Two Performance Report and explained it was set out into four quadrants (Service Provision, Corporate Health, Priority Programmes and Risk).

Quadrant One - Service Provision – Tregear Thomas, Area Manager Prevention and Protection (AM P&P) reported there had been a decrease in non-fatal fire casualties compared to the previous quarter and previous year. The number of deliberate fires was slightly higher than target. An increase in primary fires related to serious crime observed over the year to date and this had been targeted through partnership working with Thames Valley Police (TVP).

An issue had arisen to the number of Safe and Well referrals completed within the prescribed timescales and the Service have looked at ways to improve processes to minimise waiting times. Tregear Thomas explained it was unlikely the 100% target is achieved due to the complexities of clients' needs or changing circumstances e.g. client could be in hospital or changed their mind.

Doug Buchanan, Area Manager, Response and Resilience (AM R&R), reported the Summer Heatwave created an increase in operational demand to the Service. On-call availability remains a challenge and reported the Service has a dedicated on-call Station Manager involved in the recruitment and has influenced the change in policies to support on-call recruitment.

Jim Powell, Area Manager Collaboration and Policy (AM C&P) provided an update on measure 14 (Percentage of Automatic Fire Alarm calls where RBFRS did not attend). He stated the target was set at 30% based on benchmarking exercise. The target relied on call challenge by Control staff and that a further

update will be presented to the Fire Authority in June 2023.

In referring to the summer heatwave, Doug Buchanan reported the Service responded to incidents outside of Berkshire's borders and explained there were mutual aid arrangements.

Quadrant Two – Corporate Health – Becci Jefferies, HHR&L&D referred to sickness management measure. She stated there was some improvement in the reduction of long-term sickness. Quarter Two saw an increase in musculoskeletal absences. Support provided via Benenden and Movement Specialist. Performance Development Reviews (PDRs) were delayed due to HMICFRS inspections during that time.

Councillor Smith asked for further detail on the EDI Objectives progress update. Becci Jefferies reported the Summer Internship was one initiative which had been delivered in that quarter.

Quadrant Three – Priority Programmes – This quadrant brings together progress updates on areas of work where we are delivering defined outcomes that are different to current working practices, policies and procedures. They were Community Risk Management Planning (CRMP), People Strategy, Strategic Asset Investment Framework (SAIF), High Risk Residential Building (HRRB) Project and the assessment of progress against the projects and objectives set in the 2022/23 Annual Plan.

In referring to Objective 5 (Change policies, processes and systems to ensure they enable and support the delivery of a fit for purpose, efficient and effective service to the community) Nikki Richards, Deputy Chief Executive (DChEx), explained the objective was specifically around equality of access to services and employment for potential staff and communities. Focus areas was the use of Equality Impact Assessments (EIAs), which was completed prior to projects. The RAG rating of red of this measure was due to capacity.

Quadrant Four – Risk – In discussing risk (664) management of Budget Pressures, Conor Byrne, Head of Finance and Procurement (HF&P) outlined this risk was around Pay Awards. He stated the Green Book pay award had been agreed this year. The Grey Book Pay award was budgeted and built into the Medium Term Financial Plan at 2.5%. The 5% pay offer had been rejected and discussed the potential Industrial Action (IA). The Budget for 2023/24 will be brought to the Fire Authority for approval in February 2023.

In answer to Councillor Linden, Conor Byrne reported the Government had offered the potential to increase the precept by £5 without going to a referendum, which had gone out to public consultation. The £5 increase, if approved would only cover the unbudgeted Grey and Green book pay award for next year. He reported through Budget Working Party, he was looking at programme of savings, reserves and balancing the budget.

RESOLVED that:

- 1) The performance against Service Provision and Corporate Health

measures for the targets agreed by the Fire Authority for 2022-23 be noted;

- 2) The progress made on the four priority programmes be noted; and
- 3) The position of corporate risk be noted.

38. FORWARD PLAN

RESOLVED that the Forward Plan be noted.

39. DATE OF NEXT MEETING

Tuesday 28 March at 6.30pm, RBFRS Headquarters, Newsham Court, Pincents Kiln, Calcot, Reading, Berkshire RG31 7SD.

(The meeting concluded 9:51pm)