



**AVON FIRE AUTHORITY
AUDIT, GOVERNANCE & ETHICS COMMITTEE (AGEC)**

22 SEPTEMBER 2022

MINUTES OF MEETING

PRESENT: Cllrs Bromley (Substitute for Cllr Butters), Davies (Substitute for Cllr Wilcox) (left at 10.37), Goggin (Chair), Monk (Substitute for Cllr Tucker) (arrived at 10.34) and Payne

The meeting started at 10.30 am

17. APOLOGIES FOR ABSENCE

Apologies for absence received from Cllrs Ashe, Brown, Butters, Tucker and Wilcox and James Mason, Independent Person.

18. EMERGENCY EVACUATION PROCEDURES

Officers confirmed the emergency evacuation procedure for the venue.

19. DECLARATION OF INTERESTS

There were no declarations of interest.

20. PUBLIC ACCESS

None received.

21. CHAIR'S BUSINESS

Members and Officers introduced themselves.

1. The Chair outlined that meetings were now taking place face-to-face. The meeting would be recorded and uploaded to the Avon Fire Authority (AFA) website.
2. The Chair explained the voting system for the meeting, i.e. votes against a motion would be recorded first, followed by abstentions, then votes in favour.

22. MINUTES OF THE AUDIT, GOVERNANCE & ETHICS COMMITTEE HELD ON 29 JUNE 2022

Cllr Goggin moved, and Cllr Davies seconded that the minutes be approved as a correct record of the meeting.

IT WAS RESOLVED -

That the minutes of 29 June 2022 be approved as a correct record and signed by the Chair.

23. UPDATE ON INTERNAL AUDIT RECOMMENDATIONS

The Committee received a report of the Head of Corporate Assurance, Planning & Continuous Improvement, who updated Members on progress with completion of the Internal Audit recommendations and management actions as approved by the Service Leadership Team (SLT) on 25 August 2022.

IT WAS RESOLVED –

That the progress made against the Internal Audit recommendations and management actions be noted.

24. INTERNAL AUDIT UPDATES AND REPORTS

The Committee received a report from RSM UK Risk Assurance Services LLP (RSM) who are the AFA's Internal Auditors.

The key points emphasised were –

Progress Report

1. This report provided AGECE with an update on delivery of the 2022/23 internal audit plan.
2. One audit assignment report (Protection) had been finalised since the last AGECE meeting, when the 2022/23 audit plan was approved.
3. The audit plan remained on track to be delivered, however, the Corporate Reporting audit had been put on hold due to a proposed Local Government Association (LGA) governance peer review, to ensure no duplication exists. RSM awaited confirmation if the audit is to be rearranged for later in the year or deferred indefinitely.
4. In respect of the pension audit, due to the Fire Authority decision to pause Immediate Detriment processing and intention to further consider adoption of the LGA/Fire Brigades Union (FBU) Framework by the end of the calendar year, this audit had been put on hold pending further discussions about if, and when, there would be a stable period in which processing can be audited during the 2022/23 Audit Plan.
5. A decision had therefore been made to proceed with the Operational Assurance audit in 2022/23 on the basis that it is unlikely that both the Corporate Reporting and Pensions audit will take place in this audit year.
6. Sector briefings were included in the report for information purposes.

Protection Report

1. This audit was undertaken as part of the current three-year rolling internal audit strategy, as a risk-based assurance review to look at how Avon Fire & Rescue Service (AF&RS) had adopted new protection arrangements around risk-based inspections of business premises. This was the first audit of the 2022/23 plan and was linked to the Service Plan and key objectives and the new risk-based inspection programme.
2. RSM reported a reasonable assurance opinion and agreed one medium and one low category action with management.
3. The Business Fire Safety team had been developing its control framework over recent months and was currently on track against its inspection programme having completed 200/600 inspections in the year 2022/23 to date.
4. RSM had identified some areas of improvement around policies, guidance and staff applying consistent processes for following up and monitoring actions from inspections; as well as the need for a more robust performance monitoring process at SLT level, which is already in progress.
5. RSM outlined how staff were responsible for these follow-up actions and the need to ensure the correct process was in place, formalising documentation and guidance. It was noted that some action tracking was inconsistent.

The t/Area Manager Risk Reduction reiterated RSM's update and reassured Members that his team were working well and would soon introduce an improved risk-based inspection programme. He confirmed that every Fire & Rescue Service required a risk-based inspection policy and that an agreed definition of risk was awaited from the National Fire Chiefs Council (NFCC).

He added that the HMICFRS identified in their review in 2018, that Avon needed to refresh the programme. A Station Manager along with Fire Safety Managers had spent a considerable amount of time identifying risk. The t/Area Manager Risk Reduction has a responsibility to ensure that the Service is inspecting the highest risk premises within the four Unitary areas such as high-rise residential buildings, care homes and those housing vulnerable residents.

The development of the new system has meant that the team are now operating from a live document which will be reported back to SLT. The hard work put into this system has now meant the Service is a good position locally and with the NFCC.

In response to Member's questions, the t/Area Manager:

1. Confirmed that the NFCC framework was expected over the next 12 months.
2. Confirmed that high risk premises visits were on track. However, the Business Fire Safety team had to evaluate the risks as they are unable to inspect all premises.
3. Advised in respect of Homes of Multiple Occupancy, the West of England protocol was followed which determined response and which organisation leads.

4. Advised that in respect of High-Risk properties which were poorly managed, it can be a challenge to enter the property. The team 'coach to comply' and support responsible persons but can also prosecute if required.
5. Advised the process regarding how the Service became aware of new properties i.e., a care home or bed and breakfast. When a new address is created, the Service is notified by way of a unique premises ID number system and changes in use or new build properties will be picked up through building regulations. A review will would then be undertaken, if required.
6. Confirmed that proactive monitoring/risks are reported externally to HMICFRS with prosecution updates and conclusions reported to the AFA. The Risk Reduction Team also works closely with Unitary Authorities who on occasion provided evidence for these prosecutions. A Member, who is the Communication Team Champion, agreed that it was good to record these prosecutions as it showed proactive activity. He would progress this further with the Communications Team as it was a positive and proactive approach to report these outcomes.
7. Advised that, in respect of Lithium batteries and electric cars/charging points, these have presented new challenges. The Service had been proactive through use of risk-based programmes and auditing which contained new questions around procedures. Operationally, additional training had been undertaken and advice given to crews to ensure when they arrive at a shout, they know how to deal with these situations.

Benchmarking Report – although not presented verbally to Members by RSM, the following key points were read and noted by Members:

1. The annual emergency services benchmarking report showed where AF&RS sits when compared to other blue light organisations across RSM's internal audit client base.
2. This report showed that, on average across RSMs client base, AF&RS has a higher number of reasonable assurance opinions and medium actions. RSM advised AGEC in the report, that a reasonable assurance opinion is a positive outcome, and that this picture showed the Service is directing internal audit to areas where it knows there are still improvements to be made to feed findings into its approach to organisational learning and continuous improvement. The data also indicated the progress AF&RS has made in moving some audits into substantial assurance and having no high priority actions over the last three audit years.

IT WAS RESOLVED THAT THE COMMITTEE -

- a) **Considered the Internal Audit Progress Report for 2022/23 to date (Appendix 1)**
- b) **Considered the Protection Internal Audit Report (Appendix 2), the findings and agreed the management actions.**
- c) **Considered the Emergency Services Benchmarking Report 2021/22 (Appendix 3)**

25. DRAFT ANNUAL GOVERNANCE STATEMENT 2021/22

The Committee received a report concerning the Annual Governance Statement (AGS) 2021/22 which sets out a framework by which the Fire Authority's internal systems and processes were directed and controlled. It enabled the Fire Authority to monitor the achievement of its strategic objectives and to consider whether those objectives had led to the delivery of cost-effective services.

The Head of Corporate Assurance, Planning & Continuous Improvement explained this was a requirement to ensure that high levels of governance had been provided across the organisation and provided a clear assessment of how the Governance Framework had operated over the past financial year.

In addition, Members were informed that under the Accounts and Audit Regulations 2015, the AFA is required to produce an AGS.

She pointed out on p82, the Head of Internal Audit had confirmed that the Service had an adequate and effective framework for risk management, governance and internal control. On p83, sections 8.2 and 8.3 would be updated once the External Audit work had been completed.

She drew Members attention to section 8.4 and explained that the Internal Audit review of Financial Controls completed in 2021 had focused on devolved budgets. The Internal Auditors reported a reasonable assurance opinion with only four low category management actions.

Once the External Audit work had been completed, the Statement would then be finalised and signed by the Chair of Avon Fire Authority, the Chief Fire Officer, the Treasurer and the Clerk. This is due to be completed by the end of November 2022, at which point it will be uploaded to the AFA website.

A Member asked whether RSM, as the Authority's Internal Auditors, are required to be audited themselves for effectiveness, when was this last done and should this detail be recorded within the AGS. RSM confirmed that in 2021 they were audited by Deloitte and given the highest effectiveness rating. The Head of Corporate Assurance advised that she had not seen this detail in an AGS before but would complete benchmarking against other Fire & Rescue Services. It was confirmed that the final AGS would be brought to Members at the AGEC meeting in November for information only, unless there are any substantive changes on completion of the External Audit process.

The recommendation was moved by Cllr Goggin and seconded by Cllr Monk.

IT WAS RESOLVED THAT THE COMMITTEE -

- a) **Approved the content of the draft AGS subject to paragraphs 8.2 and 8.3 being updated with the Head of External Audit opinion and commentary on Value for Money, when published.**
- b) **Authorised the Chief Fire Officer/Chief Executive, the Chair of Avon Fire Authority and Statutory Officers to sign the approved statement.**
- c) **Approved the publication of the AGS 2021/22 alongside the final Statement of Accounts when the External Audit process is complete.**

26. DATE OF NEXT MEETING

Moved by Cllr Goggin and seconded by Cllr Monk.

RESOLVED – that the date of the next meeting be held on 22 November 2022 at 10.30am.

27. EXCLUSION OF THE PRESS AND PUBLIC

The recommendation was moved by Cllr Goggin and seconded by Cllr Payne.

RESOLVED –

That the public be excluded from the meeting during the following items of business on the grounds that they contained exempt information pursuant to Schedule 12A, Part 1 of the Local Government Act 1972 and that in accordance with Schedule 12A, Part 2, paragraph 10 of the Local Government Act 1972 the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

28. CONFIDENTIAL MINUTES OF THE AUDIT, GOVERNANCE & ETHICS COMMITTEE HELD ON 29 JUNE 2022

Cllr Goggin moved, and Cllr Monk seconded that the minutes be approved as a correct record of the meeting.

RESOLVED – that the Confidential Minutes of 29 JUNE 2022 be approved as a correct record and signed by the Chair.

Chair

The meeting ended at 11.20 hrs