



Buckinghamshire & Milton Keynes Fire Authority

Minutes of the Meeting of the OVERVIEW AND AUDIT COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 19 JULY 2023 at 10.00 AM.

Present: Councillors Adoh, Carroll, Chapple OBE, Exon, Fuller (part), Hussain, Stuchbury and Waite

Officers: M Osborne (Deputy Chief Fire Officer), M Hussey (Principal Accountant), A Carter (Head of Technology, Transformation and PMO), K Nellist (Democratic Services Officer), C Jordan (Team PA), S Gowanlock (Corporate Planning Manager), J Cook (Community Safety and Safeguarding Manager), C Bell (Head of Protection, Assurance and Development), A Hussain (Deputy Director of Finance and Assets) and M Gibb (Internal Audit Manager, Buckinghamshire Council),
Remotely: F Keates (External Audit EY),

Apologies: Councillor Bagge

The Vice-Chairman welcomed Members to the Overview and Audit Committee Meeting of the Buckinghamshire & Milton Keynes Fire Authority and advised that although members of the public were allowed to attend and observe in limited numbers, the meeting was being recorded and a copy would be uploaded onto the Authority's YouTube channel.

<https://www.youtube.com/channel/UCWmIXPWAscpxL3vIiv7bh1Q>

OA01 ELECTION OF CHAIRMAN

(Councillor Hussain in the Chair)

It was proposed and seconded that Councillor Carroll be elected Chairman of the Committee for 2023/24.

RESOLVED –

That Councillor Carroll be elected as Chairman of the Committee for 2022/23.

(Councillor Carroll in the Chair)

OA02 APPOINTMENT OF VICE-CHAIRMAN

It was proposed and seconded that Councillor Hussain be appointed Vice Chairman of the Committee for 2023/24.

RESOLVED –

That Councillor Hussain be appointed Vice Chairman of the Committee for 2023/24.

OA03 MINUTES

RESOLVED –

That the Minutes of the meeting of the Overview and Audit Committee held on Wednesday 15 March 2023, be approved, and signed by the Chairman as a correct record.

OA04 MATTERS ARISING FROM THE PREVIOUS MINUTES

OA47 - Corporate Risk Management – The Corporate Planning Manager would remove Industrial Action and Pandemic Resurgence Risks from the risk register, and these would be added to the relevant directorate risk registers. This would be covered by the Corporate Planning Manager at Item 14 on this agenda.

Risk of USAR being withdrawn – as Members were aware, funding had been secured for a further two years –the Deputy Chief Fire Officer confirmed that funding would be in place until March 2025. There was an ongoing review into the whole New Dimensions Programme, and officers would continue to look to secure the USAR function for the future moving forward. Rob Butler MP had recently visited the team to show support.

Incident in High Wycombe – A Member asked that the Service and Police be thanked for how they had carried out their duties – this had been actioned by the Chief Fire Officer.

OA05 DISCLOSURE OF INTERESTS

There were no disclosures of interest.

OA06 RIPA POLICY (MINUTE OA39 – 090316)

The Democratic Services Officer advised Members that the Authority was the enforcing authority investigating potential breaches of fire safety legislation and confirmed that in the last reporting period, no covert surveillance under the Regulation Investigatory Powers Act 2000 had been undertaken.

RESOLVED –

To note that there had been no covert surveillance conducted by officers since the last meeting of the Committee.

OA07 2022/23 ANNUAL AUDIT PLAN

The Internal Audit Manager advised Members that in accordance with the Accounts and Audit Regulations, Internal Audit were required to provide a written report on an annual basis to this Committee with an opinion on the overall adequacy and

effectiveness of the Authority's control environment. The opinion of the Chief Internal Auditor was that the Authority's system of internal control and risk management, provided reasonable assurance regarding the effective efficient and economic exercise of the Authority's functions. It should be noted that no system of internal control could provide absolute assurance, and neither could the Internal Audit Service. In reaching the overall opinion, account was taken of the follow up progress and implementation of actions.

RESOLVED –

That Members note the 2022/23 Annual Audit Report

OA08 STATEMENT OF ACCOUNTS

The External Audit Manager advised Members that the audit progress report provided an update on the audit progress since the last meeting in March 2023. There had now been a response from the auditor of the Buckinghamshire pension fund which was required as part of the work on the IAS19 pension liability. Since the last meeting, the triennial valuations for the LGPS Buckinghamshire pension fund as at 31 March 2022 had now been released. The finalisation of this report was considered new information in relation to conditions that existed as at 31 March 2022. Management and the audit team were required to consider this new information when reviewing the IAS19 liability. As a result, management requested an updated IAS19 report for their share of the LGPS pension fund which had now been provided to the audit team.

The valuations had been concluded on Great Holm Fire Station and Gerrards Cross house valuations. In relation to property, plant and equipment, and land valuations, the Authority's external valuers provided updated evidence in early July. The audit team had sent a sample of these assets to their internal valuation department for review, this should be completed in the coming weeks. There were also a small number of errors that needed to be completed as part of the conclusion of the audit, these were listed in the progress report.

A Member asked around the investment strategy for pensions, and whether the Authority had any influence on this.

The Deputy Director of Finance and Assets advised Members that the Firefighter scheme was an unfunded pension scheme which meant that it did not hold any investments whilst the LGPS scheme does. The LGPS fund was administered by Buckinghamshire Council. Information on investments relating to the LGPS pension fund would be sent to Members.

Deputy Director of
Finance & Assets

OA09 PROTOCOL ON MEMBER AND OFFICER RELATIONS

The Corporate Planning Manager advised this report was being presented to Members as part of the quadrennial review of the Authority's Protocol on Member and Officer Relations. The Protocol complemented the Authority's Members' Code of Conduct. The draft report was approved in principle by the Chairman of the Authority and reviewed by employee representatives at the Joint Consultation Forum (JCF) at its meeting on 1 March 2023. The JCF agreed that the Protocol should include reference to the five ethical principles from the Core Code of Ethics for Fire and Rescue Services, which were also subsequently incorporated into the updated employee Code of Conduct 2023 when approved by the Executive Committee at its meeting on 22 March 2023.

The Terms of Reference for the Authority require it to determine all policies, codes or guidance regulating working relationships between Members of the Authority and employees of the Authority, after considering recommendations from the Overview and Audit Committee.

A Member asked if there were checks to ensure that staff were aware of all relevant policies and procedures.

The Deputy Chief Fire Officer advised Members that there was a robust induction process that ensured all new starters were aware of all policies and procedures.

RESOLVED –

That the Protocol on Member and Officer Relations be approved and be recommended to the Authority for adoption.

OA10 2021/22 STATEMENT OF ASSURANCE

The Corporate Planning Manager advised Members that the Statement of Assurance covered the period April 2021 to March 2022. The Statement of Assurance was the last link in the governance chain and normally could not be finalised until all the other key inputs were received and approved by this Committee.

As Members were aware from the earlier update, the external auditor's final opinion on the 2021/22 financial statements was still pending. However, rather than further delay the publication of the 2021/22 Statement of Assurance, it was decided to bring it today for approval and any material findings from the external auditors would be included in the 2022/23 Statement of Assurance. Everything else in the Statement had already been considered by this Committee, and it served as a precis and overview of the outcomes of the more detailed underlying assurance activities ranging across the financial, governance and operational functions and processes and that were

reported to this Committee during the course of the 2021/22 financial year.

The format and content of the statement was based on Government guidance published in 2013. The guidance had not been updated since then and therefore remains extant.

RESOLVED –

That the 2021/22 Statement of Assurance be approved for signature by the Chairman of the Overview and Audit Committee and the Chief Fire Officer.

OA11 ANNUAL GOVERNANCE STATEMENT 2022/23

The Deputy Director of Finance and Assets advised Members that the purpose of this report was to present the 2022/23 Annual Governance Statement. It contained the progress on the implementation of recommendations of the 2021/22 Annual Governance Statement and recommendations for 2023/2024. The report was produced with feedback received from all directorates.

During 2022/23 the Service commenced planning for its next Public Safety Plan, which in line with new guidance, would be known as the Community Risk Management Plan and cover the period 2025-2030. An outline timeline for the planning process was presented to the Authority on 7 December 2022. In terms of public engagement, the Authority had invested in a digital marketing apprentice which had allowed the team to increase its presence both on social media and through community events.

At the start of 22/23 officers expanded the suite of reportable performance measure to 75 covering the whole Service. These were reviewed and reported on a quarterly basis by the Performance Monitoring Board, Strategic Management Board and fed up to the Executive Committee and Fire Authority.

A Member asked about public engagement and targeting recruitment events, were officers visiting college and university open days.

The Deputy Director of Finance and Assets advised that officers already engaged with schools and colleges at career open days, and were targeting 16-18 year olds to see if they had an interest in joining the Fire Service.

A Member asked how many subject access requests had been received.

The Democratic Services Officer confirmed there had been no Subject Access Requests during the period.

A Member asked when the Climate Action Plan would be reviewed by Members.

The Deputy Chief Fire Officer advised Members that climate change was included in the current Public Safety Plan and the response strategy reflected this. The response strategy was constantly evaluated depending on the risk. The public consultation had commenced for the future Community Risk Management Plan and climate forms a large part of that which would then inform the response strategies moving forward.

RESOLVED –

1. That the Annual Governance Statement 2022/23 be approved.
2. That the progress on the implementation of recommendations of the previous Annual Governance Statement (Appendix A to the Annual Governance Statement) be noted.
3. That the priorities for 2022/23 (Appendix B to the Annual Governance Statement) be agreed.

OA12 CORPORATE RISK MANAGEMENT

The Corporate Planning Manager advised Members that this was the regular report on the status of corporate risks that was presented to every meeting of this Committee. The report reflected any changes and updates made to the Corporate Risk Register since the last meeting on 15 March 2023. Since then, the risk register had been subject to regular review by the Performance Monitoring and Strategic Management Boards and also by Lead Members where individual risks fell within their areas of reference.

The Corporate Planning Manager advised Members that there had been some changes since the last report. In particular, to the industrial relations risk. Following the settlement of the pay dispute with the FBU earlier in the year, this had been redefined and re-assessed to relate to the potential impact of ongoing industrial action in other sectors, such as education, which, for example, could affect attendance of staff with childcare responsibilities. The broader staff availability risk had been amended to reflect the impact of recruiting at scale and pace on the ratio of inexperienced to experienced staff.

The financial sustainability risk had been re-scored and was now out of the red zone following the various improvements to revenue funding and release of provisions from reserves that were no longer needed as reported to Members earlier in the year. There was a new risk relating to national issues identified by the HMICFRS in their

recent 'Value and Culture in Fire and Rescue Services' report. The Information security risk status was unchanged from the previous report. However, officers continued to make improvements to the cyber-security as reported in the update.

Finally, in relation to climate change, the specialist off-road appliances were now being deployed to enhance the response to any potential incidences of wildfire along with specialist training and engagement with the NFU and Forestry Commission to help assess risks and opportunities for mitigations.

A Member raised concerns that the On-Call training course in August had been cancelled due to lack of candidates, and also asked what the responses from social media versus adverts/job fairs were and the breakdown of where the Service was attracting these candidates from.

The Deputy Chief Fire Officer advised Members that On-Call was a national problem. With regard to the training course, officers were now liaising with other fire and rescue services to try and get enough candidates together to run the course cost effectively.

The Deputy Chief Fire Officers advised Members that a Workforce Planning Report was being drafted looking at recruitment, training and staff development.

A Member asked about the dangers of high-rise buildings and houses of multiple occupancy (HMOs) and how the Service was dealing with it.

The Corporate Planning Manager advised that, as Members were aware, the Service was currently in the process of building a new Community Risk Management plan which would include a comprehensive look across all risks in the community, including new and emerging risks and certainly including high-rise buildings and HMOs would feature in that analysis.

(Councillor Fuller joined the meeting)

RESOLVED –

1. That the status on identified corporate risks at Annex C be reviewed and approved.
2. That comments be provided to officers for consideration and attention in future updates / reports.

OA13 TREASURY MANAGEMENT PERFORMANCE 2022/23

The Principal Accountant advised Members that this was the Treasury Management Performance report for the financial year 2022/23. The accrued interest earned for this period was £328k, which was £298k higher than the budget set for the same period.

This also exceeded the interest paid out from loans which was £281k for 2022/23.

In terms of investments, as at 31 March 2023, the Authority had £15.3m invested in various counterparties including banks, buildings societies, Money Market Funds and current accounts. The Authority had deals maturing on a frequent basis to ensure it was able to meet short-term expenditure requirements. During 2022/23 the base rate rose from 0.75% in April 2022 to 4.25% by end of March 2023. The Authority was able to benefit financially from increases in the base rate, hence the overachievement.

The Principal Accountant advised Members that in terms of borrowing, during 2022/23 the Authority repaid a maturing PWLB loan for £620k. by repaying this loan, this reduced the Authority's loans to £6.177m. Repayment of this loan did not impact the revenue budget.

During May 2023 officers took the decision to make an early repayment of a loan for £627k that was due to be repaid in 2056. This was at a discount of £45k. Reducing the total loans to £5.55m. The next loan would mature in March 2024 for £1m and funds had been set aside to repay this. Officers were also monitoring the discount that could be achieved on the early repayment of a £2.174m loan due to mature in 2053.

The Principal Accountant advised Members that by 31 March 2024, the Authority could be in a position whereby the total loans outstanding was only £2.4m and would be paid by 2032. If the Authority did decide to repay the £2.174m loan in 2023/24, the interest payable figure would reduce from £281k at the start of 2022/23 to £121k from the start of 2024/25, reducing the pressure on revenue budgets.

In February 2023 the Authority approved the Medium Term Financial Plan For 2023/24, which included an increase in the investment budget to £350k. The Bank of England's Monetary Policy Committee (MPC) had continued the trend of increasing the base rate, since December 2021. With the thirteenth most recent increase, saw the base increase by 0.50% to 5%, as at 22 June 2023. This was already an increase overall of 0.75% since April 2023. The next review date is on 3 August 2023.

A Member asked how the additional interest payments would be used in the budget moving forward.

The Deputy Director of Finance and Assets advised Members that although the Authority was getting good interest rates now, it could

not rely on this staying the same moving forward, and could not be used to guarantee pay rises etc.

RESOLVED –

That the Treasury Management Performance 2022/23 be noted.

OA14 HER MAJESTY’S INSPECTOR OF CONSTABULARY AND FIRE AND RESCUE SERVICES (HMICFRS) – BUCKINGHAMSHIRE FIRE AND RESCUE SERVICE (BFRS) IMPROVEMENT PLAN UPDATE: MAY 23

The Head of Technology, Transformation and PMO advised Members that this was the quarterly update on progress against the HMICFRS Round 2 report - areas for improvement and causes for concern. The Equality, Diversity and Inclusion Objectives 2020-2025 – Year three update was presented to the Authority in June, highlighting the work done and the plans for the coming year. The Prevention Improvement plan that supported the HMICFRS plan was also being presented today for its mid-term review.

The Head of Technology, Transformation and PMO advised Members that the Round 3 inspection took place across April/May and June this year. The HMICFRS interacted with approximately 120 staff via interviews, desktop reviews, workshops and station visits. Whilst there was an initial high level debrief, it did come with a health warning stating that it was only a partial view and remained subject to change. The HMICFRS felt the Authority’s staff interacted well and thanked them all for their input. The full report should be released before the end of the year.

On 4 July, officers received a letter explaining that due to His Majesty’s Inspector (HMI) Matt Parr leaving, HMI Roy Wilsher would take on responsibility for this Service. As the Round 3 inspection had already started, Assistant HMI Shantha Dickinson, would continue to support this process until publication to ensure continuity and a smooth transition to the new Inspector.

RESOLVED –

That the Committee note the updated HMICFRS - BFRS Improvement Plan: May 2023

OA15 PREVENTION IMPROVEMENT PLAN – MID-TERM REVIEW

The Community Safety and Safeguarding Manager advised Members that this report was a mid-term review of the Prevention Improvement Plan which was put in place in November 2021. The Prevention Improvement Plan was brought in following the Round 2 HMICFRS inspection, a prevention evaluation, and the introduction of the Prevention Fire Standard. It contained 60 recommendations and associated actions. The plan was drafted to last for an initial

three year period, and after 18 months it was timely to review and see if the recommendations initially set out were still relevant.

From the work undertaken at the mid-term review point, 28 of the 60 recommendations were marked as completed, with progress in each of the five areas ranging from 27%-71% of recommendations completed. That gave an overall completion level at the mid-term point of 47%. Areas of strength were strategy, vision and leadership.

RESOLVED –

1. That the Committee note the Prevention Improvement Plan mid-term review summarising the progress made against the measures required to secure long-term improvements to Prevention delivery in Buckinghamshire Fire and Rescue Service (BFRS)
2. That the Committee note the amendments made to the actions within the Prevention Improvement Plan maintaining the currency and appropriateness of the plan in line with developments in Prevention guidance and expectations outside of the Service led by the Central Program Office.

OA16 FORWARD PLAN

RESOLVED –

That the Forward Plan be noted.

OA17 DATE OF NEXT MEETING

The Committee noted that the date of the next Overview and Audit Committee meeting would be held on Wednesday 8 November 2023 at 10.00am.

THE CHAIRMAN CLOSED THE MEETING AT 11.11 AM