

AT A MEETING of the HFRA Standards and Governance Committee held
virtually via Microsoft Teams on Tuesday, 17th November, 2020

Chairman:

* Councillor Liz Fairhurst

* Councillor Sharon Mintoff

* Councillor Geoffrey Hockley

* Councillor Jonathan Glen

* Councillor Roger Price

*Present

Also present with the agreement of the Chairman:
Councillor Chris Carter, Chairman of HFRA

122. APOLOGIES FOR ABSENCE

All Members were present and no apologies were noted.

123. DECLARATIONS OF INTEREST

Members were mindful of their duty to disclose at the meeting any Disclosable Pecuniary Interest they had in any matter on the agenda for the meeting, where that interest was not already in the Authority's register of interests, and their ability to disclose any other personal interests in any such matter that they might have wished to disclose.

No interests were declared.

124. MINUTES OF PREVIOUS MEETING

The minutes of the last meeting were reviewed and agreed.

125. DEPUTATIONS

There were no deputations for the meeting.

126. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements.

127. EXTERNAL AUDIT RESULTS REPORT 2019/20

The Committee received a report of the Chief Finance Officer (Item 6 in the Minute Book) which summarised the External Auditor's Final Audit Results report for 2019/20 which was appended to the report. It was heard that there was little change since the Committee received the draft report at their previous

Committee meeting. An updated Letter of Representations had also been circulated to Members of the Committee. A representative from Ernst & Young (EY) introduced their report and outlined the changes since the draft report was received by the committee at their meeting on the 30 September 2020. Attention was drawn to the area of Pension Liability Valuation and it was heard that the outstanding element had been the final assurance from the audit of the Hampshire Pension Fund which had now been concluded. This had resulted in a minor unadjusted audit difference, but was seen as an immaterial number and management had chosen not to adjust this difference. Members were asked for their view as to whether this should be adjusted, and the Committee were content with management's decision.

The second element which had been updated related to work on the going concern disclosures within the accounts, and it was heard that work had now been concluded and EY were satisfied with disclosures made in the accounts and concluded that no modifications to the audit report were necessary.

RESOLVED:

- a) That the Committee received and noted the latest External Auditor's HFRA Audit Results Report for the year ended 31 March 2020.
- b) That the Committee RECOMMEND that the Full Authority note and accept the External Auditor's HFRA Audit Results Report.

128. **HFRA INTERNAL AUDIT PROGRESS REPORT 2020/21**

The Committee received a report of the Chief Internal Auditor on the HFRA Internal Audit Progress Report 2020/21 (Item 7 in the Minute Book).

The report was introduced and it was explained that there were two parts to the report, which detailed the progress with delivering the internal audit plan and the external quality assessment. Members heard that there had been delays to starting the internal audit work due to the impact of Covid and remote working of staff. It was explained that there have been regular meetings to review the internal audit plan and ensure this continued to be relevant. Members noted that the majority of the work will take place in quarter three and quarter four. A review of risk assessments around Covid had taken place, and this had resulted in substantial assurance.

The variations to plan were outlined on page nine of the report, and the focus for the remainder of the financial year is to ensure sufficient work to enable an annual internal audit opinion to be provided subject to staff remaining fit and well during the second wave of Covid, and HFRS remaining able to accommodate the reviews. However, CIPFA have published guidance should limitations arise. It was also noted that work around Shared Services was continuing.

In response to a Member query, it was heard that the team remained fit and well and were working remotely and progressing well with work. The team had adapted well to changes and the new way of working.

In response to a Member query around any possible slippage of areas of work into other Quarters, it was noted that there were regular monthly meetings around the timing of reviews, as well as early discussions around the planning for next year. Regular communication with officers and Members would take place, should the position change.

It was heard that the Internal Audit Team had recently been audited, and an external assessment had been undertaken. The Institute of Internal Auditors had undertaken this and assessed against audit standards, and this was also a good opportunity to benchmark against best practice across the public and private sector. It was reported that Internal Audit were found to be fully conformant against all the requirements, and it was heard that some suggestions had been given for the team to develop further which had been discussed with the Partnership Boards and an action plan had been developed in relation to these. Members of the Committee and the Chairman of the Authority thanked the Internal Audit team for all their hard work and congratulated them on achieving this result.

RESOLVED:

- a) That the progress in delivering the internal audit plan for 2020/21 and the outcomes to date be noted by Hampshire Fire and Rescue Authority Standards and Governance Committee.
- b) That the outcomes of the External Quality Assessment of SIAP, and the assurance that provides over the quality of internal audit work be noted and also congratulated on achieving such a high standard, by Hampshire Fire and Rescue Authority Standards and Governance Committee

129. **INTERNAL AUDIT MANAGEMENT ACTIONS PROGRESS REPORT**

The Committee received a report of the Chief Fire Officer on the progress of Internal Audit Management Actions (Item 8 in the Minute Book). The report was introduced and attention was drawn to the table at Section 5 of the report which outlined the four outstanding management actions which all related to the proactive pay claims audit. The first action was explained and details of the new software solution in relation to the changed provision for paper claims was explained. The other three actions all related to the Combined Fire Authority (CFA), and it was explained that the one-off exercise for managers and HFRS personnel detailed in the fourth action, was contingent on the two previous management actions. Members heard that Officers were confident that the revised timelines for the actions would be met.

Page 99 of the agenda pack detailed how Business Continuity had been in action throughout the Service over the past few months, and the formal letter to be received from Her Majesty's Inspectorate of Constabulary, Fire and Rescue in respect of Covid inspection, should reflect the positive work.

The Committee heard of the continued hard work between the teams to be able to target the right audits and make good progress, which has enabled the

number of open management actions to be reduced from 38 since last reported to Committee to 10 as of October 2020. It was also highlighted that substantial assurance had been received in respect of health and safety.

In conclusion it was highlighted that the timing of the proactive pay claims was dependent on no issues with the CFA in relation to pay and arrangements, and officers would need to look at timings if there were any issues.

A query was raised as to whether the date for the first management action would change, and it was heard that due to the size and scale of the software project, it wouldn't be desirable for any delays, and it was important that this was implemented as soon as possible and a significant amount of work and progress was taking place in relation to this.

RESOLVED:

- a) That the Standards and Governance Committee notes that, despite the impact of COVID-19, significant progress continues to be made towards the implementation of the internal audit management actions.
- b) That the Standards and Governance Committee specifically notes the positive findings of SIAP's Covid Health and Safety Risk Assessments audit.

130. **ORGANISATIONAL RISK REGISTER**

The Committee received a report of the Chief Fire Officer on the Organisational Risk Register which was set out in the report and at Appendix A (Item 9 in the Minute Book).

The report was introduced and it was explained that this was the inaugural six monthly report highlighting the status and details of organisational risk which would be presented to the Committee on a rolling six month basis. Page 107 of the pack detailed the risks which would seriously impede the Service carrying out its role, and this could result in different resources being marshalled and changes to policy if any of the risks materialised, and it was important that the Committee scrutinised these.

Page 107 detailed the current seven organisational risks and the detail in the scoring and the rationale behind this. Each risk was also managed by a Director who was responsible for each risk. It was heard that Ref Number 4 specifically detailed building regulations, and it was explained that some requirements around this may need additional resources to be implemented within the Service.

A Member query around Ref Number 7 was raised and it was heard that the right guidance, precautions and contingency plans were in place if there were high levels of sickness and absence in relation to Covid, and an appropriate level of Service response would still be delivered.

Councillor Price highlighted that at the recent HFRA Firefighters' Pension Board meeting it was recommended that Firefighters pensions should be included in

the risk register, and this was also raised at the Scheme Advisory Board that there was a risk to Authorities in relation to the administration of Firefighters pensions and the intricacies of the scheme. It was explained that this had been inadvertently omitted, but this risk would be added to the Register, and Councillor Price was content.

RESOLVED:

- a) That the Hampshire Fire and Rescue Authority Standards and Governance Committee notes the Organisational Risk Register status under the delegated management of the Chief Fire Officer.
- b) That the Hampshire Fire and Rescue Authority Standards and Governance Committee recommends adding Firefighters pensions to the Organisational Risk Register.

131. INDEPENDENT PERSON TO HAMPSHIRE AND ISLE OF WIGHT FIRE AND RESCUE AUTHORITY

The Committee received a late additional report of The Committee Clerk (Item 10 in the Minute Book) seeking approval for a recruitment process to be undertaken for an Independent Person to Hampshire and Isle of Wight Fire and Rescue Authority.

The report was introduced and it was explained that it was a legal requirement for The Authority to appoint an Independent Person or Persons, and authority was delegated to the Standards and Governance Committee to oversee the recruitment process for an Independent Person(s), including the ability to establish a selection panel from amongst its members to interview candidates and make a recommendation to the Authority for appointment.

RESOLVED:

- a) That the process for recruitment of an Independent Person is commenced, the position is advertised for appointment from June 2021 with an annual allowance of £100, and three cross party Members of the Committee are nominated to form a working group to undertake shortlisting and interviews which would consist of Cllrs Glen, Mintoff and Price.
- b) That the working group bring a recommendation for appointment to the Standards and Governance Committee meeting in February 2021 for approval and recommendation to Hampshire & Isle of Wight Fire and Rescue Authority at its meeting in June 2021.

Chairman,