



# DEVON & SOMERSET FIRE & RESCUE AUTHORITY

**S.J. Sharman  
CLERK TO THE AUTHORITY**

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**To: The Chair and Members of the Audit &  
Governance Committee**

**(see below)**

**SERVICE HEADQUARTERS  
THE KNOWLE  
CLYST ST GEORGE  
EXETER  
DEVON  
EX3 0NW**

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Your ref :  
Our ref : DSFRA/AGC/SJS  
Website : www.dsfire.gov.uk

Date : 22 November 2023  
Please ask for : Sam Sharman  
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**AUDIT & GOVERNANCE COMMITTEE**  
**(Devon & Somerset Fire & Rescue Authority)**

**Thursday, 30th November, 2023**

A meeting of the Audit & Governance Committee will be held on the above date, **commencing at 10.00 am in Committee Room A, Somerset House, Devon & Somerset Fire & Rescue Service Headquarters, Exeter** to consider the following matters.

S.J. Sharman  
Clerk to the Authority

**A G E N D A**

***PLEASE REFER TO THE NOTES AT THE END OF THE AGENDA LISTING SHEETS***

**1 Apologies**

**2 Minutes (Pages 1 - 4)**

of the previous meeting held on 28 September 2023 attached.

**3 Items Requiring Urgent Attention**

Items which, in the opinion of the Chair, should be considered at the meeting as matters of urgency.

## **PART 1 - OPEN COMMITTEE**

### **4 External Audit Update**

The Authority's External Auditor, Grant Thornton, has commencing the statutory audit of Devon & Somerset Fire & Rescue Authority ('the Authority') for the year ended 31 March 2023. This process has been delayed and the Auditor will give an overview at the meeting of the proposed work to be undertaken in respect of:

- The Audit of the Authority's financial statements; and
- Value for Money opinion.

### **5 Internal Audit Interim Progress Report 2023-24 (Pages 5 - 16)**

Report of the Head of Devon Audit Partnership (AGC/23/21) attached.

### **6 Local Pension Board Annual Report 2022-23 (Pages 17 - 24)**

Report of the Director of Finance & Corporate Services (Treasurer) (AGC/23/22) attached.

### **7 His Majesty's Inspectorate of Constabulary & Fire & Rescue Services (HMICFRS) Areas for Improvement Action Plan Update (Pages 25 - 28)**

Report of the Chief Fire Officer (AGC/23/23) attached.

## **MEMBERS ARE REQUESTED TO SIGN THE ATTENDANCE REGISTER**

### **Membership:-**

Councillors Coles (Chair), Clayton, Cook-Woodman, Fellows, Roome, Sellis, Slade (Vice-Chair), Sproston and Sully.

Messrs. Perks and Turkington – Independent Co-opted Members of the Committee

## NOTES

### 1. **Access to Information**

Any person wishing to inspect any minutes, reports or lists of background papers relating to any item on this agenda should contact the person listed in the “Please ask for” section at the top of this agenda.

### 2. **Reporting of Meetings**

Any person attending a meeting may report (film, photograph or make an audio recording) on any part of the meeting which is open to the public – unless there is good reason not to do so, as directed by the Chair - and use any communication method, including the internet and social media (Facebook, Twitter etc.), to publish, post or otherwise share the report. The Authority accepts no liability for the content or accuracy of any such report, which should not be construed as representing the official, Authority record of the meeting. Similarly, any views expressed in such reports should not be interpreted as representing the views of the Authority.

Flash photography is not permitted and any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chair or the Democratic Services Officer in attendance so that all those present may be made aware that is happening.

### 3. **Declarations of Interests at meetings (Authority Members only)**

If you are present at a meeting and you are aware that you have either a disclosable pecuniary interest, personal interest or non-registerable interest in any matter being considered or to be considered at the meeting then, unless you have a current and relevant dispensation in relation to the matter, you must:

- (i) disclose at that meeting, by no later than commencement of consideration of the item in which you have the interest or, if later, the time at which the interest becomes apparent to you, the existence of and – for anything other than a “sensitive” interest – the nature of that interest; and then
- (ii) withdraw from the room or chamber during consideration of the item in which you have the relevant interest.

If the interest is sensitive (as agreed with the Monitoring Officer), you need not disclose the nature of the interest but merely that you have an interest of a sensitive nature. You must still follow (i) and (ii) above.

Where a dispensation has been granted to you either by the Authority or its Monitoring Officer in relation to any relevant interest, then you must act in accordance with any terms and conditions associated with that dispensation.

Where you declare at a meeting a disclosable pecuniary or personal interest that you have not previously included in your Register of Interests then you must, within 28 days of the date of the meeting at which the declaration was made, ensure that your Register is updated to include details of the interest so declared.

	<b>NOTES (Continued)</b>
4.	<b><u>Part 2 Reports</u></b> Members are reminded that any Part 2 reports as circulated with the agenda for this meeting contain exempt information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s). Members are also reminded of the need to dispose of such reports carefully and are therefore invited to return them to the Committee Secretary at the conclusion of the meeting for disposal.
5.	<b><u>Substitute Members (Committee Meetings only)</u></b> Members are reminded that, in accordance with Standing Orders, the Clerk (or his representative) must be advised of any substitution prior to the start of the meeting. Members are also reminded that substitutions are not permitted for full Authority meetings.
6.	<b><u>Other Attendance at Committees )</u></b> Any Authority Member wishing to attend, in accordance with Standing Orders, a meeting of a Committee of which they are not a Member should contact the Democratic Services Officer (see "please ask for" on the front page of this agenda) in advance of the meeting.

## **AUDIT & GOVERNANCE COMMITTEE** (Devon & Somerset Fire & Rescue Authority)

29 September 2023

### Present:

Councillors Coles (Chair), Clayton, Fellows, Roome, Sellis, Slade (Vice-Chair) and Sproston.

### Also in attendance:

Mr. Perks (Independent Co-opted Member).

Andrew Davies (Grant Thornton)

### Apologies:

Councillors Cook-Woodman and Sully.

Ms. Turkington (Independent Co-opted Member).

#### \* **AGC/23/11**     **Minutes**

**RESOLVED** that the Minutes of the meeting held on 21 July 2023 be signed as a correct record.

#### \* **AGC/23/12**     **External Audit Plan for the Year Ending 31 March 2023**

(Andrew Davies, Grant Thornton) in attendance for this item).

The Committee received for information a document provided by the external auditor (Grant Thornton) setting out an overview of the planned scope and timing of the statutory audit of the Devon & Somerset Fire & Rescue Authority's financial statements for the year ended 31 March 2023, for which the proposed audit fee was £52,380.

In discussing this item, the following points were noted:

- that the audit would be risk-based, with the significant risks identified in the document;
- that the audit of financial statements for 2022-23 would again include Group Accounts. Red One Ltd. had appointed an external auditor and Grant Thornton would liaise with them to clarify expectations;
- that the level of materiality for audit purposes had been assessed at £2.3m for the Group and £2.2m for the Authority, equating to 2% of gross expenditure for the period; and
- the performance materiality (the requirement to report uncorrected omissions or misstatements other than those which were "clearly trivial") had reduced from 75% to 65%, with the level of "clearly trivial" being set at £0.110m.

\* **AGC/23/13**      **Internal Audit Follow Up Report**

The Committee received, for information, a report of the Director of Finance & Corporate Services (AGC/23/17) on action taken to address the findings of audits with a limited assurance opinion and providing a summary update on implementation of actions designed to address audit recommendations. In introducing the report, an update was provided on expenditure associated with the crewing pool which had reduced significantly, from circa £0.103m for the first four months on the previous financial year to circa £0.016m in the first four months of the current financial year. The rationale for this reduction, which included successful recruitment, was explained.

Work was underway to develop a strategic action tracker collating actions from different sources into one place and to ensure that cross-reference was made, where appropriate, from the Service's action trackers to the Corporate Risk Register.

The Committee expressed satisfaction with the level of assurance received and thanked the officers concerned for the clarity and transparency in reporting. The Committee asked, though, that consideration be made to enhancing the action tracker reporting in future to indicate timescales (i.e. length of time overdue etc.) associated with "red" status actions.

\* **AGC/23/14**      **HMICFRS Areas for Improvement Action Plan Update**

The Committee received, for information, a report of the Chief Fire Officer (AGC/23/18) on progress against the Action Plan to address the Areas for Improvement falling within the remit of this Committee and as identified by His Majesty's Inspectorate of Constabulary & Fire & Rescue Services following its last inspection of the Service.

The report identified that there was currently one Area for Improvement recorded as "in progress – off track" and indicated the reasons for this.

The Committee expressed satisfaction with the level of assurance received and thanked the officers concerned for the clarity and transparency in reporting.

\* **AGC/23/15**      **Authority Policy for Regulation of Investigatory Powers Act (RIPA) 2000 - Review**

The Committee received, for information, a report of the Monitoring Officer & Clerk to the Authority (AGC/23/19) on operation by the Authority of its policy as required by the Regulation of Investigatory Powers Act (RIPA) 2000.

The policy maintained by the Authority accorded with both the legislation and all current Codes of Practice. Since the last report in May 2022, there had been no use by the Authority of powers under RIPA.

\* **AGC/23/16**      **Revised Forward Plan 2023-24**

The Committee considered a report of the Clerk to the Authority (AGC/23/20) to which was appended a Forward Plan of proposed items for submission to meetings of the Committee in the current (2023-24) municipal year.

It was noted that the external auditor, Grant Thornton), had indicated that work on the audit of financial statements for the 2022-23 financial year would not commence until late August 2023 and would not be complete by the Regulatory deadline of 30 September 2023.

This, in turn, would require the Authority to publish a Notice in accordance with Regulation 10(2) of the Accounts & Audit Regulations 2015 (as amended). More fundamentally, it would delay submission of the final financial statements for approval to late January/early February 2024. The Forward Plan had been amended to reflect this change.

**RESOLVED** that the revised Forward Plan for 2023-24, as amended to report AGC/23/20, be approved.

**\* DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 10.00 am and finished at 11.10 am

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# Agenda Item 5

<b>REPORT REFERENCE NO.</b>	<b>AGC/23/21</b>
<b>MEETING</b>	<b>AUDIT &amp; GOVERNANCE COMMITTEE</b>
<b>DATE OF MEETING</b>	<b>30 NOVEMBER 2023</b>
<b>SUBJECT OF REPORT</b>	<b>INTERNAL AUDIT 2023-24 PROGRESS REPORT</b>
<b>LEAD OFFICER</b>	<b>HEAD OF DEVON AUDIT PARTNERSHIP</b>
<b>RECOMMENDATIONS</b>	<i>That the Committee reviews and considers the outcomes of the work completed as set out in this report and indicates whether it requires any further assurance.</i>
<b>EXECUTIVE SUMMARY</b>	<p>The Internal Audit Service provides independent assurance to the Service's senior officers and Members that governance, risk management and controls are sufficient in ensuring delivery of the Service's objectives.</p> <p>This report sets out the progress that has been made against the approved Internal Audit Plan for 2023-24.</p>
<b>RESOURCE IMPLICATIONS</b>	N/A
<b>EQUALITY RISKS AND BENEFITS ASSESSMENT (ERBA)</b>	The contents of this report are considered compatible with existing human rights and equalities legislation.
<b>APPENDICES</b>	A. Interim Progress Report 2023-24
<b>BACKGROUND PAPERS</b>	<p><a href="#">REPORT AGC/23/7</a> to the Audit &amp; Governance Committee on 17 April 2023 (Minutes AGC/22/24 refers).</p> <p><a href="#">Report AGC/23/10</a> to the Audit and Governance Committee on 21 July 2023, (Minute AGC/23/4 refers).</p>

**1. INTRODUCTION**

- 1.1. The Internal Audit Plan forms the principal work of the Internal Audit Service and is a significant source of assurance of the effectiveness of the internal control environment.
- 1.2. The aim of this report is to update the Committee on progress in delivery against the 2023-24 plan.

**2. DELIVERY OF THE AUDIT PLAN**

- 2.1. An update on delivery of the internal audit plan is detailed at Appendix A.

**3. NEXT STEPS**

- 3.1. The progress made against the agreed Audit Plan will be reported back to Audit & Governance Committee at regular intervals.

**TONY ROSE**  
**Head of Devon Audit Partnership**

Internal Audit

Interim Progress Report  
2023-24

**Devon and Somerset Fire and  
Rescue Authority  
Audit and Governance  
Committee**

November 2023

Official



**Tony Rose**  
**Head of Devon Audit Partnership**

**Lynda Sharp-Woods**  
**Audit Manager**



**Support, Assurance and Innovation**

## Introduction

Internal auditing is defined by the Public Sector Internal Audit Standards (PSIAS) which set out the requirements of a 'Board' and of 'senior management'. For the purposes of the internal audit activity within Devon and Somerset Fire and Rescue Authority the role of the 'Board' within the Standards is taken by the Authority's Audit and Governance Committee and 'senior management' is the Authority's Executive Board.

The Internal Audit Service provides independent assurance to the Service's Senior Officers and Members that governance, risk management and controls are sufficient in ensuring delivery of the Service's objectives.

This report sets out the progress that has been made against the approved Internal Audit Plan for 2023-24. The Internal Audit plan for 2023-24 was presented to the Audit and Governance Committee in March 2023.

The Public Sector Internal Audit Standards require the Head of Internal Audit to provide an annual report providing an opinion that can be used by the organisation to inform its governance statement.

This progress report provides a summary of work completed to date (Appendices 1 and 2) that will help to inform the annual assurance opinion which will be specified by one of the following descriptions.

<b>Pages</b> 8	Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
	Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

## Recommendations

That the Committee:

- reviews the progress made on work to date,
- considers any outcomes from work completed; and
- in turn whether they require any further assurances to be provided.

## Customer Value

### Conformance with Public Sector Internal Audit Standards (PSIAS)

**PSIAS Conformance** - Devon Audit Partnership conforms to the requirements of the PSIAS for its internal audit activity. The purpose, authority and responsibility of the internal audit activity is defined in our internal audit charter, consistent with the *Definition of Internal Auditing*, the *Code of Ethics* and the *Standards*. Our internal audit charter was approved by senior management and the Governance Committee in March 2023. This is supported through DAP self-assessment of conformance with Public Sector Internal Audit Standards & Local Government Application note.

The Institute of Internal Audit (IIA) are the key body involved in setting out the global standards for the profession which form the basis for the Public Sector Internal Audit Standards (PSIAS) and are undergoing review and revision. The proposed new standards which are likely to take effect in 2024 and this document helps clarity and raise awareness of the audit committee's governance roles and responsibilities in respect of this. [IIA Document – Draft Standards](#).

**Quality Assessment** - The Head of Devon Audit Partnership maintains a quality assessment process which includes review by audit managers of all audit work. The quality assessment process and improvement is supported by a development programme.

**External Assessment** - The PSIAS states that a quality assurance and improvement programme must be developed; the programme should be informed by both internal and external assessments.

An external assessment must be conducted at least once every five years by a suitably qualified, independent assessor. For DAP this was recently conducted at the end of 2021 by the Head of Southwest London Audit Partnership, and the Chief Internal Auditor of Orbis (a partnership organisation covering Brighton and Hove, East Sussex, and Surrey County Council).

The assessment result was that *“Based on the work carried out, it is our overall opinion that DAP **generally conforms**\* with the Standards and the Code of Ethics”*. The report noted that *“As a result of our work, a small number of areas where partial conformance was identified. These were minor observations, none of which were significant enough to affect the overall opinion”*. DAP is actively addressing these improvement areas.

\* **Generally Conforms** – This is the top rating and means that the internal audit service has a charter, policies and processes that are judged to be in conformance to the Standards

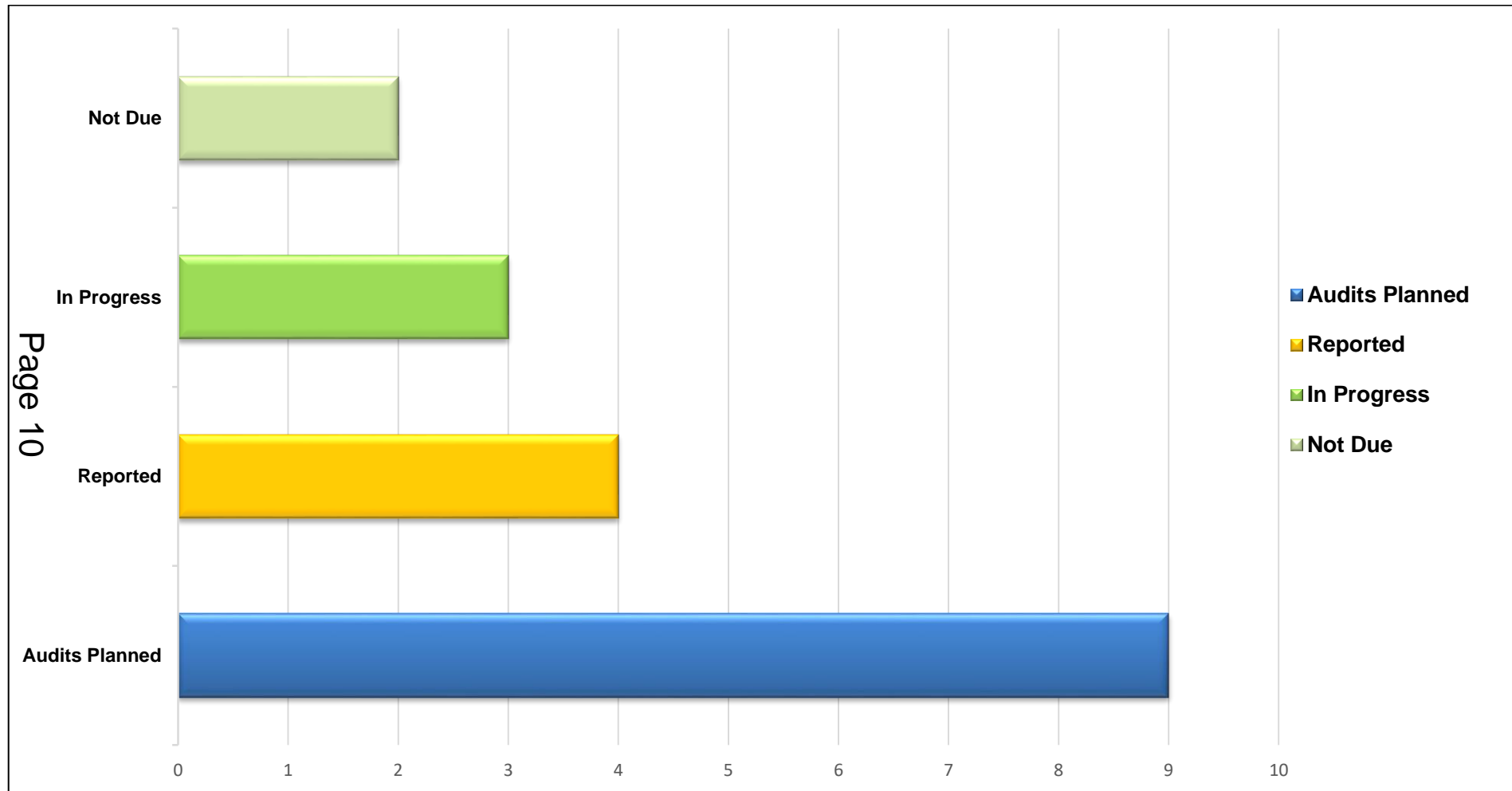
**Improvement Programme** – DAP maintains a rolling development plan of improvements to the service and customers. All recommendations of the external assessment of PSIAS and quality assurance were included in this development plan and have been completed. This will be further embedded with revision of our internal quality process through peer review. Our development plan is regularly updated, and a status report reported to the DAP Management Board.

### Customer Service Excellence

DAP was successful in re-accreditation by G4S Assessment Services of the CSE standard during January 2023. This accreditation is a UK-wide quality mark which recognises organisations the prioritise customer service and are committed to continuous improvement.




We have issued client survey forms for our reports, and the results of the surveys returned were very good / positive. The overall result is very pleasing, with 96% being “satisfied” or better across our services. It is very pleasing to report that our clients continue to rate the overall usefulness of the audit and the helpfulness of our auditors highly.

## Appendix 1 – Progress Chart for Internal Audit Reviews Planned in 2023-24





**Time spent** - We have used in the region of 41% of the 2023-24 planned days (as of October 2023) on starting, completing, and reporting on the Internal Audit Plan for 2023/24. This percentage of days also includes finalising 2022-23 work.


## Appendix 2 – Summary of Reports and Findings for 2023-24

Direction of Travel Indicators	
Indicator	Definitions
	No Progress has been made. The action plan is not being progressed at this time; actions remain outstanding.
	Progress has been made but further work is required. The action plan is being progressed though some actions are outside of agreed timescales or have stalled.
	Good Progress has/s being made. Good Progress has continued.

The management response and direction of travel indicator is provided by the Director of Finance and Corporate Services whose team undertake review and reporting to Audit and Governance Committee of progress against audit recommendations.

This was previously reported to Members in September 2023 [REPORT REFERENCE NO \(dsfire.gov.uk\)](#)

Risk Area / Audit Entity	Assurance opinion	Executive Summary / Residual Risk / Audit Comment / Management Response	Direction of Travel Assurance
<p><b>Medium-Term Financial Strategy / Financial Resilience Plans</b></p> <p> <i>Corporate Risk Register - CR050 Failure to agree actions to set a balanced budget in 24/25 and beyond, further exacerbated by reduced council tax and business rates and inflation.</i></p>	<p><b>Status: Final Reasonable Assurance</b></p>	<p>The Fire and Rescue Service along with the wider Public Sector face unprecedented financial challenges over the coming years. The Medium-Term Financial Plan (MTFP), along with associated documents such as the Reserves Strategy, Productivity and Efficiency Plan, and draft Target Operating Model, acknowledges these financial challenges. Together they provide a framework with which the Service aims to ensure the service is sustainable and efficient, whilst remaining effective in its core requirements to ensure prevention, protection, and response, within the community that it serves.</p> <p>Our review has confirmed that suitable processes are in place for developing and approving the MTFP, and that current plans and associated documents are in place. We confirmed that the Plan is aligned to many, but not all, of the requirements stipulated within the Fire &amp; Rescue National Framework and CIPFA guidance.</p> <p>We understand that the Plan has been, and will be, subject to increased monitoring and reporting to senior management, which indicates awareness of the importance of the Plan and the need to tackle any future funding shortfalls as early as possible.</p> <p>Assumptions made within the Plan appear reasonable when compared with those of other FRS services.</p> <p><b>Management Response:</b> MTFP progress is being reported to both Resources Committee and the Fire Authority meetings each quarter. Members are updated at the forums.</p>	<p></p>

<p><b>Summary of Service Action on External Bodies Reports – HMICFRS</b></p> <p><i>Corporate Risk Register – N/A</i></p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page</p>	<p><b>Status: Final</b></p> <p><b>Reasonable Assurance</b></p>	<p>Our audit has considered two reports produced by the Inspectorate, namely: ‘Effectiveness, Efficiency, and People report - issued in July 2022’ and ‘Values and Culture - issued in March 2023’. Our results are based primarily on discussions with HMI Team members, with an independent analysis of data held in the SharpCloud system, and on copies of management reports provided by the HMI Team.</p> <p>Overall, our assessment is that the service has a good system in place and is using a well-suited software package to help with co-ordinating, recording, monitoring, and reporting of service actions. Having a distinct HMI Team ensures responsibilities are clearly established and that the officer can develop a degree of specialism in the work they undertake. We found updates on service actions are being reported relevant senior management and committee with sufficient regularity.</p> <p>There are however some areas where improvements can be made in respect of the actions, these will no doubt be familiar to management already as they tend to be areas that are already reported within the management monitoring reports. Examples include significant use of time extensions, actions which are off track, and to some degree ensuring that SharpCloud is updated with adequate levels of supporting evidence.</p> <p><b>Management Response:</b> A lessons learned paper has been written, outlining the reasons for deadline extensions across all actions within the HMICFRS action plan. This paper will be presented at HMICFRS Governance Board on 8 November 2023. All paused actions have now been reviewed with the relevant Service Leadership Team lead and further review meeting dates scheduled. SharpCloud has been updated with the appropriate notes, evidence, and links for each closed improvement area.</p>	
<p><b>Cyber Governance – Cyber Assessment Framework (CAF) Self-Assessment</b></p> <p><i>Corporate Risk Register – CR044 Cyber-attack causes sustained business systems outage.</i></p>	<p><b>Status: Final</b></p> <p><b>Value Added</b></p>	<p>DAP provided operational support to the DSFRS Cyber Assessment Framework self-assessment, for submission by 6<sup>th</sup> October 2023 deadline.</p> <p>We undertook the assessment against specific non-technical aspects, providing an assessed level against each principle, based upon information received through interviews with staff; questionnaire responses; and evidential documents provided. We also made suggested improvements where necessary. In addition, we undertook a top-level review of the principles self-assessed by DSFRS, providing comments for discussion and consideration.</p> <p>Our ‘recommendations’ were fed back on the technical self-assessment principles completed by the Service. These were provided to the Service and discussed with the IT Security Officer during the assessment and review process. As this is a ‘self-assessment’ our ‘recommendations’ were not in the usual audit report format and the decision to include these in the self-assessment submission sits with the Service.</p> <p>We provided the Service with an Advice Note summarising the outcomes of our work and the outcomes of the CAF Self-Assessment.</p> <p><b>Management Response:</b> The HMG Security Policy Framework which the Service must comply with, directs the Service to embed a security standard. ISO27001 is the world leading standard and recognised for its holistic approach to Security (technical, information, physical and personnel). The CAF will be mapped to ISO27001 and the National Cyber Security Centre Executive Board Toolkit which will help to reset the baseline control. This</p>	<p>N/A</p>



		<p>will help to identify gaps and ensure that one standard is driving the Service's work to improve compliance.</p>	
<p><b>CiPFA Counter Fraud Research Project</b></p> <p><b>(Note: this work is not included in the table on page 3 as it was provided without charge to the Service)</b></p> <p><i>Corporate Risk Register – N/A (although link to CR050 in terms of accurate financial reporting if financial fraud risks not mitigated)</i></p>	<p><b>Status: Final</b></p> <p><b>Value Added</b></p>	<p>As part of a team member's training, we undertook a critical analysis of the fraud risk management process and strategy, which included a guided 'self-assessment'.</p> <p>We found that progress in relation to fraud management was evident. However, there are areas where a formal structure is not in place. A key weakness is the lack of formal recording of fraud risks on both departmental and corporate risk registers, the lack of which results in the potential that not all fraud risks will be identified and subsequently managed. The control environment appears reasonable and is subject to appropriate review from assurance services, however there is not a dedicated Counter Fraud team integrated into the organisation. We made several recommendations to strengthen the fraud risk management framework and strategy.</p> <p><b>Management Response:</b> The outcomes of the research project will be reviewed to determine appropriate actions to improve the Service's fraud management arrangements.</p>	<p>N/A</p>
<p><b>Productivity of the workforce and whole-time crews</b></p> <p><i>Corporate Risk Register – N/A</i></p>	<p><b>Status: Final</b></p> <p><b>Limited Assurance</b></p>	<p>At the time of the audit the area of productivity recording, monitoring, and reporting was undergoing substantial change. The service should be given credit for efforts taken to address the 2018-19 HMICFRS recommendation around productivity, although some actions such as the development and roll out of the template work patterns for day/night shifts (referred to in our introduction) do not appear to have had the intended impact or effect and were for the most part not utilised.</p> <p>Due to the state of change in relation to productivity recording and because historically the service has not had related robust data, there was limited relevant data that could be examined to support the audit. Instead, our work has involved discussions with officers to determine what productivity is understood to mean, and how it is recorded and measured. The findings and observations therefore are the result of opinions and views expressed by those included in our discussions.</p> <p>We found that the key issues which need to be addressed to produce data that has a high degree of confidence, are to ensure that accurate and reliable data is captured at source and used together with existing data sources to produce a full picture of wholetime crew activities, and then use this data for monitoring and reporting and to drive improvements in productivity. Efforts were already underway in this regard during the audit, and since the conclusion of our testing a new system has been introduced across all wholetime stations that should improve underlying data. As such, the issues reported here may already be addressed, but the report will still serve as a check to ensure that the issues identified at the outset of the implementation have been addressed by the new system.</p> <p><b>Management Response:</b> Management action plan recently agreed to address the recommendations made.</p>	<p>N/A</p>

<p><b>Investigations</b></p> <p><i>(Note: this work is not included in the table on page 3 as it was additionally commissioned by the Service)</i></p> <p><i>Corporate Risk Register- N/A</i></p>	<p><b>Status: Ongoing</b></p> <p><b>Value Added</b></p>	<p>We were commissioned to support DSFRS in three human resources related investigations. This work is complete, and any relevant findings are being taking forward in accordance with relevant internal processes.</p> <p><b>Management Response:</b> Using the offered resources and expertise of the Devon Audit Partnership in supporting internal investigations has provided additional capacity when required.</p>	<p>N/A</p>
<p><b>New People System - Live advice and quality assurance</b></p> <p><i>Corporate Risk Register- N/A</i></p> <p>Page 14</p>	<p><b>Status: Ongoing</b></p> <p><b>Value Added</b></p>	<p>Internal Audit have been attending the People Service’s Programme Board since June 2023, our participation contributes to ensuring that the project’s outcomes are being reached by following project implementation best practice.</p> <p>Internal Audit monitor the project’s activity through board papers, providing “trusted advisor” challenge and insight on decisions and actions, using our experience gained from our presence in similar projects where clients have implemented the MHR iTrent system.</p> <p><b>Management Response:</b> The input into the People Service’s Programme Board has proven useful in terms of being a trusted advisor. In attendance at the meetings, DAP have provided insight into other implementations of a similar kind which has helped to steer various aspects of work.</p>	<p>N/A</p>
<p><b>Culture – To also include effectiveness of Grievance, Whistle Blow and Speak Up Procedures</b></p> <p><i>Corporate Risk Register - CR080 Failure to create a diverse and inclusive workforce.</i></p>	<p>Status: In Progress</p>	<p>This audit commenced in the week of 9<sup>th</sup> October. A further status update will be reported at the January 2024 Audit and Governance Committee meeting.</p>	
<p><b>Fire Contaminants and PPE</b></p> <p><i>Corporate Risk Register - CR055 (SSC003) Failure to thoroughly investigate and learn from safety events and take corrective action to prevent foreseeable reoccurrences.</i></p>	<p>Status: In Progress</p>	<p>This audit commenced in the week of 9<sup>th</sup> October. A further status update will be reported at the January 2024 Audit and Governance Committee meeting.</p>	

<b>Information Governance Framework</b>  <i>Corporate Risk Register - CR062 Failure to operate an effective Information Governance framework.</i>	Status: Not yet Commenced		
<b>Key financial systems including Journals</b>  <i>Corporate Risk Register – N/A (although link to CR050 in terms of accurate financial reporting)</i>	Status: Not yet Commenced		
<b>Health and Safety</b>	Status: Cancelled	This audit was cancelled at the request of the Service considering the previous recent audit activity in this area and given that the 'Fire Contaminants and PPE' audit is also in the 2023-24 audit plan. The days from this audit were transferred to the 'Information Governance Framework' audit to enable widening of the audit scope as also requested by the Service.	N/A

## Appendix 3 – Contact and Confidentiality

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### Devon Audit Partnership

The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay, Devon, Mid Devon, South Hams & West Devon, Torridge, North Devon councils and Devon & Somerset Fire and Rescue Service. We aim to be recognised as a high-quality internal audit service in the public sector. We collaborate with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks, and achieving their goals. In conducting our work, we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards. The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at [tony.d.rose@devon.gov.uk](mailto:tony.d.rose@devon.gov.uk)

### Confidentiality and Disclosure Clause

This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies. This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.

**Official:** Definition: The majority of information that is created or processed by the public sector. This includes routine business operations and services, some of which could have damaging consequences if lost, stolen, or published in the media, but are not subject to a heightened threat profile.

# Agenda Item 6

<b>REPORT REFERENCE NO.</b>	<b>AGC/23/22</b>
<b>MEETING</b>	<b>AUDIT &amp; GOVRNANCE COMMITTEE</b>
<b>DATE OF MEETING</b>	<b>30 NOVEMBER 2023</b>
<b>SUBJECT OF REPORT</b>	<b>LOCAL PENSIONS BOARD ANNUAL REPORT 2022-23</b>
<b>LEAD OFFICER</b>	<b>Director of Finance &amp; Corporate Services (Treasurer)</b>
<b>RECOMMENDATIONS</b>	<i><b>That the Local Pensions Board Annual Report 2012-22, as appended to this report, be endorsed.</b></i>
<b>EXECUTIVE SUMMARY</b>	<p>The Local Pensions Board was established by the Devon &amp; Somerset Fire &amp; Rescue Authority in 2015 in compliance with the requirements of the Firefighters' Pension Scheme (Amendment)(Governance) Regulations. The role of the Board is to assist the Authority (as Scheme Manager) in ensuring the effective and efficient governance and administration of firefighters' pensions schemes. The Board is not, however, a decision making body. Day-to-day management and administration of the firefighters' pensions schemes functions are delegated to the Head of Human Resources (or equivalent post-holder).</p> <p>Nationally, a Scheme Advisory Board (SAB) exists to advise the Secretary of State on potential changes to the firefighters' pensions schemes and advise scheme administrators and local pensions boards on the effective and efficient administration of the schemes. The SAB advocates that, as a matter of good practice and assurance, Local Pensions Boards should produce an Annual Report on their activities for consideration by their respective scheme managers. The Authority has delegated responsibility for this to this Committee.</p> <p>The Local Pension Board annual report for 2022-2023 is now attached for consideration.</p>
<b>RESOURCE IMPLICATIONS</b>	Nil.
<b>EQUALITY RISKS AND BENEFITS ANALYSIS (ERBA)</b>	The contents of this report are considered compatible with existing equalities and human rights legislation.
<b>APPENDICES</b>	A. Local Pensions Board Annual Report 2022-23
<b>LIST OF BACKGROUND PAPERS</b>	Nil.

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Devon and Somerset Fire and Rescue Authority

Local Pension Board Annual Report 2022-23

1. **INTRODUCTION**

- 1.1. The purpose of this Annual Report is to provide information about the status of the Devon and Somerset Fire and Rescue Authority Local Pension Board for Scheme Members (employees and pensioners) and for the Scheme Manager (the Authority) together with a summary of issues considered in the relevant period (1 April 2022 – 31 March 2023).
- 1.2. In accordance with Section 5 and s.30 (1) of the Public Service Pensions Act 2013 and Regulation 4A of the Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, the Devon and Somerset Fire and Rescue Authority Local Pension Board was established in February 2015 to provide advice on the effective and efficient administration and management of the various firefighter pension schemes.
- 1.3. The Report includes commentary on the following:
- A summary of the work undertaken by the Local Pension Board during 2022-23
  - Detail of areas investigated and how these areas were dealt with
  - Any conflicts of interest and how these were managed
  - Any identified risks and other areas of potential concern
  - Any expenses and costs incurred by the Board
  - Gifts and hospitality received by members of the Board
  - Training for Board members

2. **MEMBERSHIP AND MEETINGS OF THE LOCAL PENSION BOARD**

- 2.1. During 2022-23, the Local Pension Board comprised of nine members as follows:

***Scheme Manager Representatives:***

- Mike Pearson - Chair (Director of Governance and Digital Services)
- Shayne Scott (Director of Finance)
- Councillor David Thomas
- Satnam Singh Rai (Independent Co-opted Member)

***Scheme Member Representatives:***

- Peter Redbourn (term expired June 2022)
- Phill Gillbard
- James Leslie
- Ben Redwood
- Greg Webb (term started June 2022)

2.2. In addition to the above, the following officers supported the Board and regularly attend Board meetings:

- Zoe Smyth (HR Reward & Benefits Manager and Delegated Scheme Manager)
- Mareena Anderson-Thorne (HR Pensions Officer)
- Steve Yates (Democratic Services Manager) Resigned March 2023
- Hannah Singleton (Executive Support Team Leader)

2.3. The Board met on three occasions during 2022-23, as listed below:

- 22 June 2022
- 07 September 2022
- 07 December 2022
- March 2022 was cancelled.

**3. WORK UNDERTAKEN BY THE LOCAL PENSION BOARD**

3.1. During 2022-23 the following matters were undertaken/considered:

- Review of actions log
- Management of Risk Register
- Management of Work Programme
- Development of Training records and annual Training Plan
- Reviewed and updated the Self-Assessment using the Pension Regulator Tool
- Individual training using the Pension Regulator e-learning modules
- KPI Performance Measures (data collection and reporting)
- Received regular updates from the Scheme Manager, Scheme Administrator, and the Scheme Advisory Board
- Reviewed arrangements for reporting potential breaches of the law
- Monitoring arrangements for dealing with 'Immediate Detriment' cases arising from the age discrimination ruling in the McCloud/Sargeant judgement
- LPB Annual report 2021-22



#### 4. **IDENTIFIED RISKS AND BOARD ACTIONS**

4.1. Risks identified for 23-23 can be found [here](#).

4.2. Review of open actions can be found [here](#)

#### 5. **STATUTORY BREACHES**

5.1. Two statutory breaches were reported to the Regulator during the period.

#### 6. **DEVON AND SOMERSET FIRE AND RESCUE SERVICE WEBSITE**

6.1. Further information regarding the Local Pension Board can be found on the Service website:

<http://www.dsfire.gov.uk/AboutUs/Pensions/index.cfm?siteCategoryId=2&T1ID=193>

#### 7. **SCHEME MEMBERSHIP**

7.1. The scheme membership numbers are now included in the monthly reports from the Scheme Administrator. Membership numbers as of 31 March 2023, were:

<b>Scheme Name</b>	<b>Active Members</b>	<b>Deferred Members</b>	<b>Pensioners</b>	<b>Beneficiaries</b>	<b>Preserved Refund</b>	<b>Leavers Options Pending</b>
Devon and Somerset Fire (1992 Scheme)	0	54	915	160	1	0
Devon and Somerset Fire (2006 Scheme)	1	407	140	17	9	1
Devon and Somerset Fire (2006/RDS Scheme)	0	70	210	3	0	1
Devon and Somerset Fire (2015 Scheme)	1601	689	45	16	8	26
Devon and Somerset Fire (2015/RDS Scheme)	65	7	5	0	0	2

7.2. The Delegated Scheme Manager reports at each Board meeting details of membership numbers; opt out numbers; new starters; and retirements.

## **8. CONFLICTS OF INTEREST**

8.1. Members of the Local Pension Board are required to declare any personal, prejudicial, or conflicts of interest. Board members are asked at each meeting to declare any conflicts that may have arisen.

8.2. There have been no declarations made by any Board members, advisor, or attendee at any meeting of the Board during the relevant period.

## **9. EXPENSES AND COSTS**

9.1. Total Local Pension Board expenditure for 2022-23 was, therefore, limited to the “co-optees” allowance of £500 per annum paid to the Independent Employer Representative in accordance with Regulation 9 of the Local Authorities (Members Allowances) (England) Regulations 2003 and the Authority’s Approved Scheme of Members Allowances made under those Regulations.

## **10. GIFTS AND HOSPITALITY**

10.1. No declarations of gifts or hospitality were made by members of the Board during the relevant period.

## **11. KNOWLEDGE AND UNDERSTANDING**

11.1. Board members have completed e-learning modules on the Pension Regulator’s website. Details of each Board member’s training is published on the Service website.

11.2. Monthly updates from the scheme administrator, the West Yorkshire Pension Fund, and the LGA’s monthly Firefighters Pensions Schemes Bulletin are shared with Board members.

11.3. Completion of individual training needs analysis records are used to identify common topics of interest, which is now included on each meeting of the Board. Additional training sessions on subjects similarly derived from the training needs analysis records are also provided.

## **12. LEGISLATIVE AND ADVISORY UPDATES**

12.1. In accordance with statutory requirements, members of the Board have been provided with regular legislative updates together with updates from the Pension Regulator and the Scheme Advisory Board. The following have been provided during 2022-23:

- TPR guidance on public service internal controls checklist.
- Guidance on treatment of 'Immediate Detriment' cases arising from the age discrimination ruling in the McCloud/Sargeant judgement.
- Guidance on treatment and implications of the Matthews/O'Brien case (Second options exercise)
- An Introduction to Pensions Dashboards
- Firefighters Pensions Schemes Bulletins No. 56 to 67 inclusive, setting out updates and news on a range of issues relating to Firefighters Pensions Schemes.

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# Agenda Item 7

<b>REPORT REFERENCE NO.</b>	<b>AGC/23/23</b>
<b>MEETING</b>	<b>AUDIT AND GOVERNANCE COMMITTEE</b>
<b>DATE OF MEETING</b>	<b>30 NOVEMBER 2023</b>
<b>SUBJECT OF REPORT</b>	<b>HIS MAJESTY'S INSPECTORATE OF CONSTABULARY &amp; FIRE &amp; RESCUE SERVICES (HMICFRS) AREAS FOR IMPROVEMENT ACTION PLAN UPDATE</b>
<b>LEAD OFFICER</b>	<b>Chief Fire Officer</b>
<b>RECOMMENDATIONS</b>	<i>That the Committee reviews progress in delivery of the action plan.</i>
<b>EXECUTIVE SUMMARY</b>	<p>On Wednesday 27th July 2022 HMICFRS published the DSFRS 2022 inspection report. The inspection report identified one Cause of Concern and 14 Areas for Improvement (AFIs). Of these AFIs, four have been linked to the Audit and Governance Committee.</p> <p>The paper appended to this report outlines the progress that has been made against the HMICFRS Areas for Improvement action plan since the last update in September 2023. The key highlights are that:</p> <ul style="list-style-type: none"> <li>• 1 Area for Improvement, HMI-1.3-202205 (Quality Assurance of Audits and Fire Safety Checks), is currently recorded as 'In Progress – Off Track'. This is due to changes in management within the protection team meaning that an update against the associated actions has been delayed.</li> </ul>
<b>RESOURCE IMPLICATIONS</b>	Considered within the Action Plan where appropriate.
<b>EQUALITY RISKS AND BENEFITS ANALYSIS</b>	Considered within the Action Plan where appropriate.
<b>APPENDICES</b>	A. HMI Audit and Governance Committee Update
<b>BACKGROUND PAPERS</b>	None

**HMICFRS ACTION PLAN – AUDIT AND GOVERNANCE COMMITTEE UPDATE**

**1. INTRODUCTION**

- 1.1. On Wednesday 27<sup>th</sup> July 2022 HMICFRS published the DSFRS 2022 inspection report. The inspection report identified one Cause of Concern and 14 Areas for Improvement (AFIs).
- 1.2. This report provides an update on the Areas For Improvement action plan that has been produced following the inspection, which concluded in October 2021.

**2. AREAS FOR IMPROVEMENT ACTION PLAN COMPLETION STATUS**

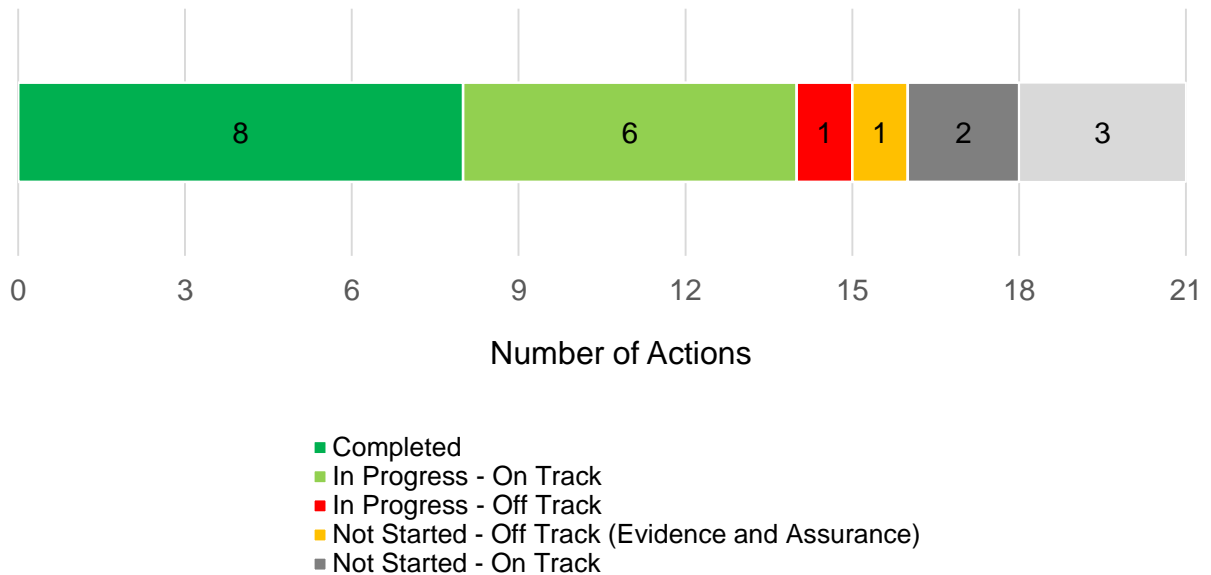
- 2.1. Table 1 lists the Areas For Improvement linked to the Audit and Governance Committee and their individual implementation status.

**Table 1:**

Reference	Description	Target Completion	Status
HMI-1.1-202202	The service should make sure its integrated risk management plan includes clear outcomes that show the public how it is currently mitigating risk.	31/01/2024	In Progress – On Track
HMI-1.3-202205	The service should make sure it has an effective quality assurance process, so staff carry out audits and fire safety checks to an appropriate standard.	<del>30/09/2023</del> 30/11/2023	In Progress – Off Track
HMI-2.2-202207a	Prevention and Protection – The service should be aware of, and invest in, developments in technology and future innovation to help improve and sustain operational efficiency and effectiveness.	30/04/2025	In Progress – On Track
HMI-2.2-202207b	Response – The service should be aware of, and invest in, developments in technology and future innovation to help improve and sustain operational efficiency and effectiveness.	<del>31/10/2023</del> 31/07/2024	In Progress – On Track

2.2. Figure 1 below outlines the completion status of all actions designed to address the Areas For Improvement linked to the Audit and Governance Committee, as outlined above.

**Figure 1: Audit and Governance Committee Action Status - November 2023**



2.3. Table 2 below outlines the completion status of all actions designed to address the Areas For Improvement linked to the Audit and Governance Committee.

Table 2: Summary of progress against the individual actions					
Areas For Improvement (Audit and Governance Committee)					
Not started (on track)	Not started (off track)	In progress (on track)	In progress (off track)	Completed	Closed
5 (↓ from 6)	1 (↑ from 0)	6 (↑ at 5)	1 (→ at 1)	8 (↑ from 7)	0 (→ at 0)

\* Please note that 3 of the actions which have not yet started are the evidence and assurance required once all other actions have been completed.

### 3. **AREAS FOR IMPROVEMENT WHICH ARE 'OFF-TRACK'**

3.1. Table 3 below outlines the areas for improvement which are currently marked as 'In Progress – Off Track'.

**Table 3:**

<b>Improvement Area</b>	<b>Status</b>
HMI-1.3-202205 – QA Audits and FSCs	In Progress – Off Track
<b>Factors impacting delivery</b>	
The quality assurance action plan has now been implemented. The next action is to evaluate the action plan and to review the process for the quarter finishing September 2023. Due to changes in management within the protection team an update against this action has been delayed.	

**4. AREAS FOR IMPROVEMENT DEADLINE EXTENSIONS**

4.1. Table 4 below outlines the areas for improvement which have has deadline extensions and reasons for this.

**Table 4:**

<b>Improvement Area</b>	<b>Status</b>
HMI-2.2-202207b – Response - Technology and Future Innovation	In Progress – On Track
<b>Reasons for Deadline Extension</b>	
<p>One action within this area for improvement is around ensuring that firefighter skills and training are aligned to local risk. This action is dependent on work being completed at a national level on definition of risk through the National Fire Chiefs Council (NFCC). This action has had a deadline extension to allow for the national work to be completed and for both internal and external collaboration.</p> <p>In addition to this, two actions have been established around an electronic solution to immediate building evacuation (IBE) linked to the outcomes of Grenfell. These actions have been linked to this area for improvement as an example of use of technology to improve operational efficiency and effectiveness.</p>	

**GAVIN ELLIS**  
**Chief Fire Officer**