



DEVON & SOMERSET FIRE & RESCUE AUTHORITY

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

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

(see below)

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

Monday, 30th September, 2024

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 Headquart, Exeterers** 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 - 6)

of the previous meeting held on 16 July 2024 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 Fraud & Corruption Strategy - Annual Review of Cases (Pages 7 - 12)

Report of the Clerk to the Authority (& Monitoring Officer) (AGC/24/17) attached.

5 Authority Policy for Regulation of Investigatory Powers Act (RIPA) 2000 - Review (Pages 13 - 16)

Report of the Clerk to the Authority (& Monitoring Officer) (AGC/24/18) attached.

6 Local Pension Board Annual Report 2023-24 (Pages 17 - 24)

Report of the Assistant Director – Corporate Services (AGC/24/19) attached.

MEMBERS ARE REQUESTED TO SIGN THE ATTENDANCE REGISTER

Membership:-

Councillors Roome (Chair), Biederman, Clayton, Fellows, Kendall, Kerley, Prowse, Sellis and Sproston.

Messrs. Perks and Turkington – Independent, Co-opted Members of the Committee (non-voting).

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.

	NOTES (Continued)
4.	<p><u>Part 2 Reports</u></p> <p>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.</p>
5.	<p><u>Substitute Members (Committee Meetings only)</u></p> <p>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.</p>
6.	<p><u>Other Attendance at Committees)</u></p> <p>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.</p>

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

16 July 2024

Present:

Councillors Roome (Chair), Biederman, Clayton, Coles, Fellows, Kerley (Vice Chair), Prowse and Sully

Independent, Co-opted Members:

Messrs. Perks and Turkington

Apologies:

Councillors Sellis

* **AGC/24/1** **Minutes**

RESOLVED that the Minutes of the meeting held on 16 March 2024 be signed as a correct record.

* **AGC/24/2** **External Audit Plan 2023-24**

The Committee received for information a report of the Authority's external auditor, Bishop Fleming, setting out the nature and scope of the audit work to be undertaken for the 2023-24 financial statements and value for money arrangements. This work was to be carried out in accordance with the National Audit Office's Code of Practice and International Standards on Auditing.

Nathan Coughlin, partner at Bishop Fleming, was present at the meeting and gave an overview of the audit to be undertaken on the 2023-24 financial statements. He indicated that he had reviewed the previous auditor's findings and the significant risks to be examined were similar to those identified in 2022-23 by Grant Thornton. Such risks included, at Group Accounts level, the Authority's trading company which was generating substantial revenue and where there would be a need for liaison with the company's auditor (Albert Goodman) for consolidation into group accounts.

The report also included a timetable together with details of the fees applicable for the 2023-24 audit of financial statements (£103, 738) in accordance with the scale set out by the Public Sector Audit Appointments (PSAA) scheme (effective for five years from 2023-24).

The Committee enquire whether any further individual audit fees may be forthcoming on top of the scale fees. Nathan Coughlin responded that there may be a need to examine the Private Finance Initiative (PFI) issue in depth and ISO315 and thus, there may be additional fees circa. £0.005m for this work. The question was also raised as to how much the cost of auditing Red One Ltd. added to this process. Nathan Coughlin responded that he would provide an answer on this matter in due course but he was aware of changes in audit requirements in 2024-25 that would impact this.

* **AGC/24/3** **Internal Audit Progress Report**

The Committee received for information a report of the Assistant Director, Corporate Services (AGC/24/11) that provided an update on the actions taken to address the findings of audits which had received a limited assurance opinion.

It was noted that good progress had been made in some areas although the number of actions where the timeline had been extended was of concern.

Good progress had been made in addressing the following two audit reports:

- Application of learning; and
- Productivity of the workforce.

Of the 132 outstanding actions (92 medium, 40 high risk), there were 9 high priority actions that had not been subject to deadline extensions. The Assistant Director, Corporate Services advised that these included the Safeguarding and Information Security audits. These matters would be clarified in future reports to the Committee.

Attention was drawn to the point that some of these deadline extensions were in excess of 12 months which was of concern to the Committee. The Assistant Director, Corporate Services, advised that this matter had been raised with the Executive Board. There were some links to matters such as His Majesty's Inspectorate of Constabulary & Fire & Rescue Services (HMICFRS) actions and others outside of the control of the Service such as delays with new information technology being purchased. Mr Perks commented that Chart 2 in the report circulated referred to 22 actions which had deadlines extended by more than a year but others in Appendix A that had actions that were partially complete. He suggested that it would be useful to re-assess the level of concern and the prioritisation of actions based upon the percentage completion of the actions in a report in order to reflect the good work that had been completed. He also requested that bar charts were used in future reports rather than screen shots from SharpCloud to make the position clearer which was accepted.

* **AGC/24/4** **Draft Annual Statement of Assurance 2023-24**

The Committee considered the draft Annual Statement of Assurance for 2023-24, as appended to this report and required to comply with the requirements of the Accounts and Audit Regulations 2015 (as amended) and the Fire & Rescue Services National Framework for England.

Consideration was given to the following points raised by the Committee for inclusion in the draft Annual Statement of Assurance (ASA):

- paragraph 3.6 and the point that this paragraph did not state how many staff had received a DBS check already as it was considered that this was a risk that should be highlighted within the ASA. The Assistant Director, Corporate Services, advised the Committee that the Service had undertaken a risk based approach to the new requirements for DBS checks and this matter was also being tracked for HMICFRS;

- there were 64 complaints highlighted within the ASA with 31 resolved but it was hard to identify what the exact position was and the numbers didn't seem to add up. It was suggested that a simple table be added to the ASA to address this matter:
- numbers of Directors to be included in the description of the composition of the Board of Red One Ltd. to allow the reader to understand the size of the Board: and
- planned completion dates for the actions in Appendix A to be amended to month and calendar year.

The Assistant Director, Corporate Services agreed to include these points prior to submission of this document to the auditor.

RESOLVED

- (a). that, subject to inclusion of the points raised above, the draft Annual Statement of Assurance as appended to report AGC/24/12, required to accompany the 2023-24 financial statements, be approved in principle with the caveat that section 18 was subject to the completion of the external audit work; and
- (b). that the draft Annual Statement of Assurance be submitted to the External Auditor alongside the draft Statement of Accounts for the same financial year.

* **AGC/24/5 Corporate Risk Register**

The Committee received for information a report of the Assistant Director, Corporate Services (AGC/24/13) that provided an update on the Corporate Risk Register. The Corporate Risk Register (CRR) captured and described the most significant risks, both internally and externally, facing the Devon & Somerset Fire & Rescue Service ("the Service"), with a focus on cross-cutting risks and major projects and was reported to the Committee on a bi-yearly basis.

The risk management process included the identification, assessment and recording of risks together with mitigating activities. The Service's Risk Manager advised that there were currently 12 risks entered on the Corporate Risk Register with 1 risk added and 5 de-escalated to local and thematic risk and no risks closed. Of the 12 risks on the CRR currently, 5 were high risk. The five high risks on the CRR were:

- CR044 - Cyber-attack causes sustained business systems outage, risk owner – Assistant Director, Corporate Services (SIRO). Risk added September 2018. Risk remains indefinitely on register;

- CR055 - (SSC003) Failure to thoroughly investigate and learn from safety events and take corrective action to prevent foreseeable reoccurrences. Risk owner – Assistant Director, Corporate Services. This risk was added December 2019. Based on current progress it was anticipated that this risk would not be de-escalated within the next six months;
- CR079 - Inability to assure ourselves that the HFS data created, held and reported on is correct. Risk owner – Assistant Chief Fire Officer – service Delivery. This risk was added February 2022. It was anticipated that this risk should be de-escalated by the end of 2024;
- CR082 – inability to maintain and provide safe Academy training facilities. Risk owner Assistant Chief Fire Officer – Service Delivery Support. This risk was added in April 2024 with a Contingency Response Team stood up on 4 April 2024, next meeting 9 July 2024;
- CR086 - lack of suitable workshop facilities and pits at Barnstaple and Crownhill Fire Stations. This risk was added to the register May 2024. Risk owner Assistant Chief Fire Officer – Service Delivery Support..

The report set out details of the current position in respect of each of the 5 high risks together with information on how long each risk had been on the Register. Based on current progress, it was noted that CR055 remained on the CRR whilst CR070 had been de-escalated to the Health & Safety thematic risk register as previously reported.

Mr Perks drew attention to the need to ensure that the difference between “static” and “dynamic” risks was identified within this report. The risk of Cyber Threat was likely to remain static (CRR044) whilst that for CRR086 would be dynamic and thus, likely could be removed in due course. This point was acknowledged and would be addressed in future reports.

Attention was also drawn to the point that risk CRR055 had not been de-escalated and the impact of this in the public arena. The Assistant Director, Corporate Services, advised that the Service had been working through the actions for some time. There had been systems that were not fit for purpose which had resulted in a backlog of reports and work to improve the safety culture was ongoing but this matter was being addressed as an area of focus.

* **AGC/24/6** **Going Concern Review**

The Committee received for information a report of the Treasurer (AGC/24/14) that provided a formal response from management to the external auditor (Bishop Fleming) on the Authority as a going concern.

The report contained a review of the financial position as at 31 March 2024 alongside an assessment of the ability of the Authority to continue operating for the foreseeable future. This covered the following areas of the Authority’s business:

- The current financial position;
- The projected financial position;

- The Balance Sheet and Cash Flow;
- Governance arrangements; and
- the regulatory and control environment

The report confirmed that the Authority was operating within a robust control environment which was evidenced through review of its assurance such as external and internal audit (neither of which had identified any significant issues in the 2023-24 financial year) and financial and operational monitoring reports to the Authority.

* **AGC/24/7** **Annual Review of Authority Standards Arrangements**

The Committee received for information a report (AGC/24/15) that identified the Standards arrangements adopted by the Authority to secure compliance with the legislative provisions of the Localism Act 2011 and associated Regulations. The report also provided an overview of operation of the regime during the 2023-24 financial year.

* **AGC/24/8** **His Majesty's Inspectorate of Constabulary & Fire & Rescue Services (HMICFRS) - Update**

The Committee received for information a report of the Chief Fire Officer (AGC/24/16) setting out the progress that had been made against His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) Areas for Improvement as set out in the Action Plan appended to the report.

There were now three Areas for Improvement (AFIs) directly related to the work of this Committee (HMI-1.3-202205 - Quality Assurance of Audits and Fire Safety Checks will be reported to the Community Safety Committee). The report set out the progress made against these AFIs:

- HMI-1.-2-202202 – the Service should make sure its integrated risk management plan included clear outcomes that showed the public how it was currently mitigating risk;
- 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; and
- 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.

It was noted that there were 18 individual actions sitting beneath these of which 7 were closed, 1 was in progress (on track), 6 had been completed and 2 had not been started but were on track. There had not been any deadline extensions since the previous report to the Committee.

One Area for Improvement, HMI-2.2-202207b (Response – Technology and Innovation), had now been marked as completed and was approved for closure by the Executive Board on 16 July 2024.

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

The Meeting started at 2.00 pm and finished at 3.40 pm

Agenda Item 4

REPORT REFERENCE NO.	AGC/24/17
MEETING	AUDIT & GOVERNANCE COMMITTEE
DATE OF MEETING	30 SEPTEMBER 2024
SUBJECT OF REPORT	FRAUD & CORUPTION STRATEGY – ANNUAL REVIEW OF CASES
LEAD OFFICER	CLERK TO THE AUTHORITY (& MONITORING OFFICER)
RECOMMENDATIONS	<i>That the report be noted.</i>
EXECUTIVE SUMMARY	<p>The Devon and Somerset Fire and Rescue Authority (the Authority) is a large public authority and expects the highest standards of conduct and integrity from its members, employees and from all who have dealings with it. The Authority recognises the importance of these standards and the high expectations of the public in this respect. The Authority has set a culture and tone that embodies honesty and active opposition to corruption and dishonesty, which its members and employees are expected to demonstrate through leading by example.</p> <p>Acts of dishonesty within the Devon and Somerset Fire and Rescue Service (the Service) are extremely rare. This reflects the skills, dedication and decency of Authority members, employees and others with whom the Authority has dealings. However, constant vigilance is necessary to ensure that this good record is maintained.</p> <p>The Authority’s Fraud and Corruption Policy focuses specifically on procedures for dealing with allegations of financial irregularities. This report sets out the position on fraud cases reported during 2023-24 together with details of participation in the National Fraud initiative.</p>
RESOURCE IMPLICATIONS	The risk of fraud does have a potential financial impact.
EQUALITY RISKS AND BENEFITS ANALYSIS	Not applicable.
APPENDICES	Nil
BACKGROUND PAPERS	See paragraph 1.2 of the report.

1. **INTRODUCTION**

- 1.1. The Devon and Somerset Fire and Rescue Authority (the Authority) is a large public authority and expects the highest standards of conduct and integrity from its members, employees and from all who have dealings with it. The Authority recognises the importance of these standards and the high expectations of the public in this respect. The Authority has set a culture and tone that embodies honesty and active opposition to corruption and dishonesty, which its members and employees are expected to demonstrate through leading by example.
- 1.2. The Authority has a [Confidential Reporting Policy](#), also known as the “Whistleblowing Code”, which sets out a procedure on how to raise concerns of a serious nature. The [Authority’s Fraud and Corruption Policy](#) focuses specifically on procedures for dealing with allegations of financial irregularities and is intended to:
- encourage prevention of dishonesty;
 - promote the detection of dishonesty; and
 - identify a clear pathway for investigation.
- 1.3. Acts of dishonesty within the Devon and Somerset Fire and Rescue Service (the Service) are extremely rare. This reflects the skills, dedication and decency of Authority members, employees and others with whom the Authority has dealings. However, constant vigilance is necessary to ensure that this good record is maintained.

2. **POLICY /STRATEGY**

- 2.1. The Authority’s constitutional framework documents, of which the Fraud and Corruption Strategy forms a key part, are reviewed by the Authority at its Annual Meeting in June. Such a review was undertaken on 10 June 2024 (Minute DSFRA/24/5 refers) and minor changes were made to reflect the move to Devon Assurance Partnership (DAP) undertaking the internal audit function on behalf of the Authority.
- 2.2. Horizon scanning is undertaken regularly to ensure the Service keeps abreast of issues and considers potential risk. There has been a new offence identified recently - [Economic Crime and Corporate Transparency Act: failure to prevent fraud offence](#) – which will have an impact in due course. The offence has not been introduced as yet but it is thought that Fire & Rescue Authorities will fall within the scope. The offence applies to all large bodies corporate, subsidiaries and partnerships. This means that in addition to businesses, large not-for-profit organisations such as charities are also in scope, as well as incorporated public bodies such as this Fire & Rescue Authority.

- 2.3. The offence applies to all sectors. However, to ensure burdens on business are proportionate, only large organisations are in scope – defined (using the standard Companies Act 2006 definition) as organisations meeting two out of three of the following criteria: more than 250 employees, more than £36 million turnover and more than £18 million in total assets. The impact of the offence will be kept under review and the threshold at which companies are excluded can be amended in future through secondary legislation if necessary.
- 2.4. If resources held across a parent company and its subsidiaries cumulatively meet the size threshold, that group of companies will be in scope of the failure to prevent fraud offence. This would mean that the Authority’s trading company, Red One Ltd., will fall within the scope of this new offence. Once this offence becomes law, the Fraud and Corruption Strategy will be reviewed to take account of this matter.
- 2.5. Monitoring of cases against this policy falls within the Terms of Reference for the Audit & Governance Committee. This report sets out the cases that have come to attention during the 2023-24 financial year together with details of the National Fraud Initiative.

3. **FRAUD CASES 2023-24**

- 3.1 The Authority publishes an annual fraud report on its [website](#) annually.
- 3.2 Two cases of potential fraud were investigated in 2023-24 as detailed in the table below.

	Fraud Identified?	Monetary Value	Value Recovered
Case 1: Allegation that employee was claiming for time twice, sometimes three times as they had three separate contracts. Also alleged that they had used a Service vehicle for private journeys.	Yes	Impossible to determine	Nil. Trying to ascertain what activity was fraudulent and what wasn't was almost impossible to determine because employee has three roles so would need to determine which role(s) they were double claiming the time for. Unable to find a way to ascertain if the route that was taken using the Service vehicle wasn't the most direct route or, a small deviation from it, without analysing each journey that the van took.
Case 2: Fitness testing.	No	N/A	N/A. This was found to be falsifying documentation for fitness testing dates rather than fraud in the true sense of the word.

4. NATIONAL FRAUD INITIATIVE

- 4.1. The Authority actively participates in the National Fraud Initiative (NFI) every two years. This is a data matching exercise within and between public and private sector bodies to prevent and detect fraud which is operated by the Public Sector Fraud Authority.
- 4.2. Data matching in the NFI involves comparing sets of data such as the payroll or benefits records of a body or organisation, against other records held by the same or another body or organisation to see how far they match. This allows potentially fraudulent applications, claims and payments to be identified. Where a match is found, it indicates that there may be an inconsistency that requires further investigation. Participating bodies receive a report of matches which identify inconsistencies in the data held which may be indicative of fraud and which they should follow-up, and investigate where appropriate. This enables them to detect instances of fraud, over or under-payments and other errors and where appropriate take remedial action and/or update their records accordingly. These matches are investigated by the Organisational Assurance department.
- 4.3. 214 matches were made in the 2022-23 report for the Service. The investigation process for these matches concluded in October 2023. 188 matches were cleared, with 26 errors found (see table below). This is a reduction from 443 matches in the previous report in 2020-21, but an increase from the previous report's 20 errors.

Error Identified	Number of matches	Value	Recovered?
Incorrect payments (duplicate payments)	11	£51,622.32	Yes. 6 duplicate payments were initially made to Plymouth City Council to the wrong bank account. When the error was identified (prior to NFI matching) the payments were returned and invoices raised again against the correct supplier reference, hence the duplicate invoice entries. 4 duplicate payments were initially made to the wrong person before the mistake was rectified and money refunded at the time of the error (prior to NFI matching). The 11 th match resulted from a handwritten invoice with an unclear invoice number duplicated by a second typed

Error Identified	Number of matches	Value	Recovered?
			invoice which had a clear invoice number; this is why Integra didn't pick up the duplication. Supplier refunded £1,853.52 as a result of NFI matching.
Duplicate creditors by creditor name or address	15	Nil	N/A. These matches were data duplications within Integra, the Service's payment system. A Finance Officer investigated the matches and removed the outdated information from the system.

- 4.4. Part of the year-end finance process is to deactivate suppliers that the team have determined are no longer required. The records are still held, for audit purposes, but are behind the scenes. This deactivation was run as part of the 2023-24 year-end process.
- 4.5. The Service has recently signed a contract to change the Finance system. Therefore, a review of all suppliers will be undertaken to ensure that the list is correct before being imported into the new system. The plan is to have the supplier review complete and shared with the team by the end of October 2024.
- 4.6. The 2024-25 NFI exercise has just commenced. The Service will be required to upload creditors, pension and payroll data by 25 October 2024. Data matches are then expected to be available by early January 2025 for investigation.

5. **CONCLUSION AND RECOMMENDATIONS**

- 5.1. The Authority undertakes regular reviews of its policies together with audits provided by the Devon Assurance Partnership (DAP) to ensure compliance. Coupled with the instigation of the new financial system referred to in paragraph 4.5. above which will bring improved financial controls, together with the biannual NFI it is considered that there are good checks and balances in place to ensure financial probity.

SAMANTHA SHARMAN
Clerk to the Authority (& Monitoring Officer)

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Agenda Item 5

REPORT REFERENCE NO.	AGC/24/18
MEETING	AUDIT & GOVERNANCE COMMITTEE
DATE OF MEETING	30 SEPTEMBER 2024
SUBJECT OF REPORT	AUTHORITY POLICY FOR REGULATION OF INVESTIGATORY POWERS ACT (RIPA) 2000 – REVIEW
LEAD OFFICER	Monitoring Officer & Clerk to the Authority
RECOMMENDATIONS	<i>That the report be noted.</i>
EXECUTIVE SUMMARY	<p>The Regulation of Investigatory Powers Act 2000 (RIPA) governs the use by public authorities (such as the Devon & Somerset Fire & Rescue Authority) of covert investigatory techniques which might otherwise infringe legal rights to privacy and respect for family life. While this Authority has never used, nor envisages ever using, the types of covert techniques governed by RIPA, it is nonetheless required to have appropriate policies and procedures in place should the use of such techniques ever be required.</p> <p>The Authority is also required, under the various codes of practice in place, to review its policies and procedures for RIPA at least annually and to report on (in anonymised form) any use of RIPA over the last twelve months</p> <p>The Committee last received a report on these issues at its meeting on 10 May 2022. This paper now sets out the findings of the most recent review.</p>
RESOURCE IMPLICATIONS	There is a requirement to ensure that relevant officers receive appropriate training and that sufficient awareness-raising is undertaken to promote understanding of the processes to be followed to obtain RIPA authorisation. Any costs associated with the above will be met from within existing resources.
EQUALITY RISKS AND BENEFITS ANALYSIS	The contents of this report are considered compatible with existing equalities and human rights legislation.
APPENDICES	Nil (NOTE: a copy of the Authority RIPA policy can be made available on request)
BACKGROUND PAPERS	<p>A. Regulation of Investigatory Powers Act 2000.</p> <p>B. Investigatory Powers Act 2016.</p>

1. BACKGROUND

- 1.1. The Regulation of Investigatory Powers Act 2000 (RIPA) sets out a regulatory framework for the use by specified public authorities (including combined fire and rescue authorities such as the Devon & Somerset Fire & Rescue Authority – the Authority) of covert investigatory techniques which might otherwise infringe legal rights to privacy and respect for family life. RIPA limits authorities to using three, defined covert techniques. Use of any one of these techniques is subject to prior authorisation by an authorising officer or other designated person.
- 1.2. This Authority has no history of using the covert investigatory techniques covered by RIPA and there is no expectation that there will ever be a need to use. Instead, it is considered that all information required by the Authority to discharge its statutory functions can be gathered by non-covert means.
- 1.3. Nonetheless, the Authority is still required to have in place a policy setting out the minimum requirements to be complied with in the unlikely event that it is necessary to use RIPA provisions. The policy is intended to provide protection for the Authority, individual officers using RIPA provisions and those subject to or otherwise affected by the process. The terms of the protection are based on necessity, proportionality and the authorisation given in relation to a particular investigation.
- 1.4. Oversight of the Authority’s RIPA policy is delegated to this Committee. In doing so, the Committee is required (by virtue of the various Codes of Practice relating to use of RIPA and associated legislation) to keep the policies and procedures under review and to receive an anonymised report on the use of RIPA during the last twelve months. This report now sets out that information.

2. RIPA AUTHORISATIONS SINCE LAST REVIEW

- 2.1. Since the last report to the Committee on 29 September 2023, there has been no use of RIPA by the Authority.

3. REVIEW OF AUTHORITY POLICY

- 3.1. At its meeting on 7 September 2020, the [then] Audit & Performance Review Committee was advised of the requirement to remove references on the acquisition of communications data from the Authority’s RIPA policy as the Investigatory Powers (Communications Data) (Relevant Public Authorities and Designated Senior Officers) (No. 2) Regulations 2020 had removed fire and rescue authorities as relevant authorities for the purposes of the Investigatory Powers Act 2016 (“the 2016 Act”).

- 3.2. The Authority's RIPA policy was subsequently amended accordingly. It should also be noted, however, that the Communications Act 2003 requires certain telecommunications operators to provide communications data to the emergency services following a "999" emergency call. The 2016 Act and its associated Codes of Practice are not intended to regulate the handling of such emergency calls and a period of one hour after termination of an emergency call (referred to as "the golden hour") falls outside the provisions of the 2016 Act in relation to the disclosure of communications data to emergency services.
- 3.3. Other than the change referred to in the above paragraphs, it has not been necessary to further amend the Authority's Policy in any respect. The Committee is also reminded that, following the review in 2019 and in response to representations made by the National Fire Chiefs Council (NFCC), the Investigatory Powers Commissioner's Office suspended RIPA inspections of fire and rescue authorities pending a decision by the Office for Security and Counter Terrorism (OSCT) on amending the RIPA schedule to remove fire and rescue authorities from the list of public bodies able to use RIPA powers. The RIPA inspection regime remains suspended but as yet there has been no confirmation from the OSCT on the removal of fire and rescue authorities from the RIPA schedule.

4. CONCLUSION

- 4.1. While the Authority has never had recourse to use the type of covert surveillance techniques regulated by RIPA and does not envisage any situation where this would be necessary, it nonetheless takes seriously its commitment to ensuring that, should this ever be necessary, the activities are undertaken in legally compliant manner.
- 4.2. This commitment of the Authority has been recognised in reports from the former Office of the Surveillance Commissioners following previous inspections. Additionally, any recommendations from the previous reports have been actioned and the RIPA policy updated as required to reflect legislative changes.
- 4.3. The outcome of the most recent review has not highlighted any changes required to the policy. The Authority's current RIPA policy and procedures are robust and will ensure that the Authority is fully compliant with RIPA requirements should it ever prove necessary to employ covert surveillance techniques.
- 4.4. The policy will be subject to another review in twelve months' time (as required) and any changes required in the meantime (as might arise from a change in the RIPA regime) will be reported to the Committee as required.

SAMANTHA SHARMAN
Clerk to the Authority (& Monitoring Officer)

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Agenda Item 6

REPORT REFERENCE NO.	AGC/24/19
MEETING	AUDIT & GOVERNANCE COMMITTEE
DATE OF MEETING	30 SEPTEMBER 2024
SUBJECT OF REPORT	LOCAL PENSIONS BOARD ANNUAL REPORT 2023-24
LEAD OFFICER	Assistant Director - Corporate Services
RECOMMENDATIONS	<i>That the Local Pensions Board Annual Report 2023-24, as appended to this report, be endorsed.</i>
EXECUTIVE SUMMARY	<p>The Local Pensions Board was established by the Devon & Somerset Fire & 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 2023-2024 is now attached for consideration.</p>
RESOURCE IMPLICATIONS	Nil.
EQUALITY RISKS AND BENEFITS ANALYSIS (ERBA)	The contents of this report are considered compatible with existing equalities and human rights legislation.
APPENDICES	A. Local Pensions Board Annual Report 2023-24
LIST OF BACKGROUND PAPERS	Nil.

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DEVON AND SOMERSET FIRE AND RESCUE AUTHORITY

Local Pension Board Annual Report 2023-24

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 (DSFRA) 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 2023 – 31 March 2024).
- 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 2023-24;
 - 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; and
 - Training for Board members.

2. MEMBERSHIP AND MEETINGS OF THE LOCAL PENSION BOARD

- 2.1. During 2023-24, the Local Pension Board comprised of eight members as follows:

Scheme Manager Representatives:

- Shayne Scott (Director of Finance & Corporate Services)
- Maria Phillips (Assistant Director of Corporate Services)
- Councillor Jeff Trail (June 2023 meeting)
- Satnam Singh Rai (Independent Co-opted Member)

Scheme Member Representatives:

- Phill Gillbard
- Greg Webb
- James Leslie
- Ben Redwood

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)

2.3. In accordance with the Terms of Reference, the Board met on two occasions during 2023-24, which took place on:

- 21 June 2023
- 06 December 2023

3. WORK UNDERTAKEN BY THE LOCAL PENSION BOARD

3.1. During 2023-24 the following matters were undertaken/considered:

- Review of actions log;
- Management of Risk Register;
- 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;
- Attendance at the LGA Fire Pensions Conference in September 2023; and
- Reviewed arrangements for reporting potential breaches of the law

4. IDENTIFIED RISKS AND BOARD ACTIONS

4.1. DSFRS undertook regular review of the Risk register and kept an accurate action log to ensure risks were managed throughout the year. Main areas of concern are detailed below.

Description	Action
Court of Appeal ruling – McCloud/Sargeant (Age discrimination remedy)	<ul style="list-style-type: none"> • Scheme manager attended regular LGA coffee mornings and scheme updates. • GAD calculator and contributions mandate process established internally for all retirements with a deferred choice option to ensure that employee contributions are adjusted correctly and in line with government directions with regard to tax and interest payments.
Court of Appeal ruling – O’Brien/Matthews (On-call second options exercise)	<ul style="list-style-type: none"> • Scheme manager attended regular LGA coffee mornings and scheme updates. • Scheme manager ensured regular contact with WYPF to ensure data quality exercise can be undertaken prior to the second options exercise commencing. • Additional resource (2.0 FTE) secured to support the administrative processes required.
Cyber Attack	<ul style="list-style-type: none"> • DSFRS Business continuity plan reviewed • Cyber security training completed • WYPF asked to provide assurances of their business continuity and cyber-attack plans.

4.2. Further details of risks identified, and the action log can be found below.

4.3. Risks identified can be found within the papers published for each Board meeting, these are available publicly on the Service website.

4.4. Review of open actions can be found within the papers published for each Board meeting, these are available publicly on the Service website.

5. STATUTORY BREACHES

5.1. No statutory breaches were reported to the Regulator during the period April 2023 – March 2024.

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.

6.2 The website is discussed at each Board meeting to ensure content remains updated and accurate.

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 2024 were as follows:

Scheme Name	Active Members	Deferred Members	Pensioners	Beneficiaries	Preserved Refund	Leavers Options Pending
Devon & Somerset Fire (1992 Scheme)	0	49	898	160	1	0
Devon & Somerset Fire (2006 Scheme)	1	400	145	20	9	1
Devon & Somerset Fire (2006/RDS Scheme)	0	65	213	3	0	1
Devon & Somerset Fire (2015 Scheme)	1576	719	89	14	7	58
Devon & Somerset Fire (2015/RDS Scheme)	54	8	14	0	0	3

7.2. The Delegated Scheme Manager reports at each Board meeting details of FPS retirements and processing times. The WYPF Monthly report circulated monthly to the board details membership numbers.

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 2023-24 was limited to the “co-optees” allowance of £573 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 2023-24:
- Firefighters Pensions Schemes Bulletins No. 68 to 79 inclusive, setting out updates and news on a range of issues relating to Firefighters Pensions Schemes.

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