

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

30 September 2024

Present:

Councillors Roome (Chair), Biederman, Coles (vice Sproston), Kendall, Kerley, and Sellis

In attendance:

Messrs. Perks and Turkington (Independent, Co-opted Members)

Apologies:

Councillors Clayton and Fellows

* **AGC/24/9** Minutes

RESOLVED that the Minutes of the meeting held on 09 May 2024 be signed as a correct record.

* **AGC/24/10** Fraud & Corruption Strategy - Annual Review of Cases

The Committee received for information a report of the Clerk to the Authority (& Monitoring Officer) (AGC/24/17) which set out the position on fraud cases reported during 2023-24 and included details of the Service's participation in the National Fraud initiative.

The anticipated introduction of the "Economic Crime and Corporate Transparency Act: Failure to Prevent Fraud Offence" would need to be considered by the Authority, in due course. Monitoring of these types of offences fell within the Terms of Reference of the Audit and Governance Committee.

Fraud Cases 2023-24:

There had been two cases of potential fraud identified during 2023-24. Each was anonymously reported to the Committee, to protect identification of individuals, along with details of rectification actions taken by the Service to prevent similar cases occurring in the future. The Committee thanked the Service for the additional information presented during the meeting.

National Fraud Initiative:

The report highlighted 11 cases of incorrect (duplicate) payments to the value of £51,622.32, which had since been returned/corrected, and 15 cases of duplicate creditor name/address which had nil value impact. In response to concerns expressed by the Committee, the Service committed to present greater detail, in future reports, about:

- the failure of internal controls that led to similar errors; and
- what the Service had done to rectify those failures.

The Committee was appraised of the current systems in place and given examples of procedures and rectification activities that had been updated to prevent similar errors occurring in the future. Consequently, the Committee was content that the risk moving forward was low. It was conceded that the existing finance IT system held some limitations, therefore the Service was working towards implementing a replacement system by September 2025. In addition, all Budget Managers had received training to improve rigour and control in processing monthly returns.

* **AGC/24/11 Authority Policy for Regulation of Investigatory Powers Act (RIPA) 2000 - Review**

The Committee received for information a report of the Clerk to the Authority (& Monitoring Officer) (AGC/24/18) on the operation by the Authority of its policy as required by The Regulation of Investigatory Powers Act 2000 (RIPA).

Since the Committee's last receipt of a related report in 2023 (Minute AGC/23/15 refers) there had been no use of RIPA by the Authority. The Clerk to the Authority advised the Committee that since RIPA powers had not historically been used by the Authority, and it wasn't anticipated that there would be a need to do so in the future, representations would be made via the National Fire Chiefs Council (NFCC) for these powers to be removed from Fire and Rescue Authorities.

The Clerk Undertook to contact other FRS to ascertain their use of these powers prior to liaison with the NFCC via the Chief Fire Officer.

* **AGC/24/12 Local Pension Board Annual Report 2023-24**

NB. Councillor Sellis declared a personal, non-pecuniary interest in this item due to her husband being in receipt of a Fire Service Pension.

The Committee received for information a report of the Assistant Director – Corporate Services (AGC/24/19) which provided information about the status of Devon & Somerset Fire and Rescue Authority (DSFRA) Local Pension Board (LPB) for Scheme Members (employees and pensioners), and the Scheme Manager (the Authority), together with a summary of issues considered in the relevant period (1 April 2023 – 31 March 2024).

The Committee was appraised of the position regarding the increased workload associated with the implementation of the pension remedies McCleod/Sergeant and O'Brien/Matthews. Two, additional, full time equivalent posts had been instigated by the Service but there was a risk that this would not provide sufficient capacity to meet the demand. Recruiting and training sufficient staff to meet that demand was a challenge across the Fire & Rescue sector with fire services struggling with sourcing the requisite pensions expertise. The West Yorkshire Pension Fund (WYPF), which administered the pension funds on behalf of the Service, was experiencing similar difficulties in recruiting staff with expertise. Fire Authorities across the country were in talks with the Local Government Association (LGA) and Home Office to address these skills shortages.

The Service had not escalated this risk at this time, the risk remained on the LPB's local Risk Register because the risk was not specific to DSFRS. The Service awaited Home Office guidance about how to resolve some of the more complicated cases.

The Authority had received £20m from Government to fund the increased cost of the pensions as a result of the implementation of the legal remedies.

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

The Meeting started at 10.00 am and finished at 10.45 am

This page is intentionally left blank