

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

22 July 2022

Present:-

Councillors Brazil (Chair), Hendy, Kerley, Power, Prowse, Randall Johnson (vice Thomas),  
Roome and Sellis

Apologies:-

Councillors Partridge and Thomas

\* **AGC/22/1** **Minutes**

**RESOLVED** that the Minutes of the meeting held on 10 May 2022 be signed as a correct record.

\* **AGC/22/2** **Government White Paper "Reforming Our Fire and Rescue Service" - Proposed Response**

The Committee considered reports of the Chief Fire Officer (AGC/22/9 and AGC/22/15) setting out an initial proposed response and revised response respectively to the Government's White Paper on "Reforming Our Fire and Rescue Service", the deadline for response to which was 26 July 2022.

The Chief Fire Officer advised the Committee that, since publication of the initial proposed response, the feedback given by Authority Members at the Members' Forum held on 19 July 2022 had been collated and fed into the paper circulated subsequently (AGC/22/15). As a result, the revised response gave proposed options for consideration, notably on questions 5, 8, 25 and 34 which the Committee was invited to consider.

In terms of these alternatives:

- Question 5 – pay negotiation - Option A, with the wording tweaked to strengthen the issues surrounding timing, affordability, outvoting and the need to avoid local pay bargaining was **MOVED** by Councillor Randall-Johnson, seconded by Councillor Roome and **CARRIED** unanimously;
- Question 8 – direct entry – Option A, with the last sentence tweaked of paragraph 2 amended to take out "care would need to be taken ...." and replace this with "it is essential that, before putting ....", was **MOVED** by Councillor Randall Johnson, seconded by Councillor Roome and **CARRIED** unanimously;
- Question 25 – priorities for professionalising fire and rescue services – the response was changed from "disagree" to "neither agree nor disagree" with the commentary set out in Option A and B as the basis for the response – **MOVED** by Councillor Power, seconded by Councillor Kerley) and **CARRIED** unanimously;

- Question 34 – transfer of fire governance to combined authority mayors or police and crime commissioners – Option A (not applicable) was **MOVED** by Councillor Power, seconded by Councillor Roome and was **CARRIED** unanimously.

**RESOLVED** that, subject to the incorporation of the amendments above, the final response from this Authority to the White Paper “Reforming our Fire and Rescue Services” be submitted to the Government by the deadline of 26 July 2022.

\* **AGC/22/3** **Internal Audit 2022-23 Progress Report - Quarter 1**

The Committee received for information a report of the Director of Governance & Digital Services (AGC/22/10) on the internal audit progress for the first quarter of the 2022-23 financial year. The report detailed progress made against the approved internal audit plan for that year together with additional review work undertaken.

Work on delivery of the 2022-23 Plan had been delayed as a result of the late completion of the 2021-22 work. The following audits had been completed now as part of the 2021-22 Plan with assurance level as indicated below:

- Community Safety – Fire Prevention – limited assurance;
- Personal Protective Equipment (PPE) – limited assurance;
- Fleet Management - reasonable assurance; and
- Flexi Duty Rota – limited assurance.

In terms of the 2022-23 Plan, work had commenced on 3 audits, namely:

- Station Based Testing Regime;
- Crewing pool;
- and Application of Learning.

Based on the completed audit work to date, Internal Audit expressed a reasonable level of assurance in the systems in operation within the Devon & Somerset Fire & Rescue Service. Generally, there was a sound system of governance, risk management and controls in place. Where weaknesses had been identified, management had agreed the findings and/or recommendations or accepted the associated risks. All audit reports included an action plan, with a designated responsible officer and timescales for completion, to address issues identified.

The Committee sought an assurance that the Authority’s Information Technology systems were robust and that any weaknesses had been addressed due to the potential cost implications of failure. The Director of Governance & Digital Services responded that there was a plethora of systems in place and that the Service was replacing old systems with new ones gradually, ensuring connectivity between them wherever possible. This was set out within the Digital Strategy. He added that the Service was in a reasonable position on this and improving.

Councillor Roome **MOVED**, seconded by Councillor Randall Johnson:

“That a follow up report be included within the Internal Audit progress paper at a future meeting of the Committee setting out the progress made on the audits indicated above with limited assurance”.

**RESOLVED**

- (a) That a follow up report be included within the Internal Audit progress paper at a future meeting of the Committee setting out the progress made on the audits indicated above with limited assurance; and
- (b) Subject to (a) above, the report be noted.

*NB. Councillor Roome declared a personal, non-pecuniary interest in this item by way of his Chairmanship of the Devon Audit Partnership.*

\* **AGC/22/4** **Going Concern Review**

The Committee received for information a report of the Director of Finance, People and Estates (Treasurer) (AGC/22/11) that provided a formal response from management to the external auditor (Grant Thornton) on the Authority as a going concern.

The report contained a review of the financial position as at 31 March 2022 alongside an assessment of the ability of the Authority to continue operating for the foreseeable future. The report confirmed that the Authority was operating within a robust control environment which was evidenced through appropriate assurance, financial and operational monitoring reports both to management and the Authority.

It was noted that the Covid-19 pandemic was likely to continue to impact on financial risks in the future but the Authority was well placed to respond to this.

\* **AGC/22/5** **Annual Review of Authority Standards Arrangements**

The Committee received for information a report (AGC/22/12) 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 2021-22 financial year.

\* **AGC/22/6** **Revised Forward Plan 2022-23**

The Committee considered a report of the Director of Governance and Digital Services (AGC/22/13) that set out a revised Forward Plan for the Committee following amendment of the previous version agreed on 10 May 2022 (Minute AGC/21/25 refers).

**RESOLVED** that the revised Forward Plan for 2022-23 be approved.

\* **AGC/22/7** **Exclusion of the Press and Public**

**RESOLVED** that, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public (with the exception of Councillor Coles and Andrew Davies [Grant Thornton]) be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in the following paragraph of Part 1 of Schedule 12A (as amended) to the Act, namely:

- Paragraph 3 (information relating to the financial and business affairs of any particular person – including the authority holding that information); and

**AGC/22/8** **Corporate Risk Register - Inclusion of Red One Ltd. (Authority Trading Company)**

An item taken in accordance with Section 100A(4) of the Local Government Act 1972 during which the press and public (with the exception of Councillor Coles and Andrew Davies {Grant Thornton}) were excluded from the meeting).

The Committee considered a joint report of the Chief Fire Officer, Director of Governance & Digital Services and Director of Finance, People & Estates on a proposed addition to the Corporate Risk Register in respect of its trading company, Red One Ltd. The external auditor, Grant Thornton, had recommended in a report to the Committee in March 2022 that the Authority should consider adding Red One to the risk register because, as the company continued to grow, it was important that governance arrangements remained under constant review to ensure they remained appropriate.

It was noted that a review of the governance arrangements for Red One Ltd. had also been approved by the Authority at its meeting on 10 June 2022 (Minute DSFRA/22/13 refers).

**RESOLVED:**

- (a) That the risk register entry for Red One Ltd. set out within Appendix A of report AGC/22/14 be approved; and
- (b) That the Authority be recommended to approve the revision of the Audit and Governance Committee's Terms of Reference as set out at paragraph 3.11 of report AGC/22/14.

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

The Meeting started at 10.00 am and finished at 12.35 pm