

At a meeting of the HAMPSHIRE FIRE AND RESCUE AUTHORITY STANDARDS & GOVERNANCE COMMITTEE held at Hampshire Fire and Rescue Service Headquarters, Eastleigh on 11 December 2013

PRESENT:

Councillors: J. Frankum; D. Harrison; G. Hockley (Vice-Chairman); C. Lagdon; R. McIntosh (Chairman); P. Smith; R. Smith

**24 APOLOGIES**

Apologies were received from Councillors Chris Carter and Liz Fairhurst.

**25 DISCLOSURES OF INTEREST**

Members were mindful of their duty to disclose at the meeting any disclosable pecuniary interest they had in any matter on the agenda for the meeting, where that interest was not already entered in the Authority's register of interests, and their ability to disclose any other pecuniary or non-pecuniary interests in any such matter that they might have wished to disclose.

There were no declarations of interest received for the meeting.

**26 MINUTES AND MATTERS ARISING**

An update was provided by the Hampshire Fire and Rescue Service (HFRS) in relation to an action arising from the Committee's meeting in July 2013 to publish a summary of the Annual Statement of Assurance. Members were shown the published work on the HFRS website and links would be sent to Members for reference.

The Minutes from 23 September 2013 were agreed and confirmed as a true record and signed by the Chairman (Item 3 in the Minute Book).

**27 CHAIRMAN'S ANNOUNCEMENTS**

There were no Chairman's announcements.

**28 DEPUTATIONS**

There were no deputations received for the meeting.

**29 INTERNAL AUDIT PROGRESS REPORT**

The Committee received a report from the Treasurer in relation to the latest audit progress report to the end of October 2013 (Item 6 in the Minute Book).

The Treasurer summarised the current 'live' internal audit reports and those that had been closed since the last reporting period, as well as activities underway within the rolling work programme.

RESOLVED:

The Committee noted the progress of the internal audit work for the period ending 31 October 2013.

### **30 PROGRESS REPORT ON THE IMPLEMENTATION OF INTERNAL AUDIT MANAGEMENT ACTIONS**

The Committee considered the report from the Chief Officer in relation to the progress report on the implementation of internal audit management actions (Item 7 in the Minute Book).

The Performance Review Manager summarised management actions in response to internal audit recommendations. The review of contract standing orders was almost complete and a report would be provided to the Finance and General Purposes Committee in January 2014. It was noted that the Joint Working programme was helping to save time on procurement.

The benefits in kind action plan was discussed. It was confirmed that the Service's proposed new tracking system for vehicles would reduce bureaucracy, and help accurately record staff journeys and classify them as business or personal and comply with HMRC policies.

The Programme and Project Management plan had been extended to consider the most appropriate project management tool to link with existing IT systems. It was confirmed that this incurred no delay to the delivery of projects.

RESOLVED:

- a) That the Service would provide information on its procurement process at the next Committee.
- b) The Committee approved the audit actions plans and the progress made towards implementing the internal audit recommendations.

### **31 LOCALISM ACT 2011 – GRANTING OF DISPENSATION**

The Committee considered the report from the Clerk in relation to a request for the granting of a dispensation, under the 2011 Localism Act (Item 8 in the Minute Book).

Councillor Royston Smith declared a pecuniary interest in the item as a director of 3SFire Ltd.

As the dispensation request was made by Councillor Royston Smith, he was given the opportunity to make a representation prior to leaving the meeting. He highlighted the difficulties for the directors of 3SFire Ltd, who were members of the Hampshire Fire and Rescue Authority (HFRA), in having to leave meetings for items related to the Company under current rules, and the potential impact on Authority proceedings.

<Councillor Smith left the meeting.>

The clerk summarised the background to the request, whereby the Committee's previous recommendation to the Authority for the members to be able to appoint standing deputies, was not passed. It was felt that the members had been appointed to 3SFire Ltd due to their specific skills set, and as such should be able to contribute to related items themselves, in order that sufficient expertise about the Company was received. The dispensation option was for the Committee to decide as an alternative.

The proposed restrictions on the dispensation, to safeguard the Authority and those Members from any perceived conflict of interest, were highlighted. It was confirmed that updates about the Company from those Members would be permitted by the dispensation.

It was outlined that under existing arrangements, members could make a representation on an agenda item where they had declared a pecuniary interest, before leaving a meeting. However, Members noted that, as they had to do so at the start of an item before leaving, this was unlikely to allow participation in subsequent debate. The Clerk advised that the only way of ensuring that 3SFire Ltd director members could remain during related items was to grant the dispensation.

The Chairman asked for all Members' views and a consensus was agreed that the dispensation be granted, noting that arrangements could be reviewed again in future if required.

RESOLVED:

- a) The Committee agreed that without the granting of dispensations for those Members of the Authority who are directors of 3SFire Ltd, the representation of different political groups on the Authority and its committees would be so upset as to alter the likely outcome of any vote relating to business involving the Company;
- b) For the reasons given in the report, the Committee agreed it was otherwise appropriate to grant dispensations for those Members of the Authority who were directors of the Company to enable them to participate in discussions and vote at meetings of the Authority, or of any committee of the Authority, concerning certain matters relating to the Company;

- c) The Committee agreed dispensations be granted under Section 33 of the Localism Act 2011 to enable Councillors Chris Carter, Roger Price and Royston Smith to participate in discussions and vote at meetings of the Authority, or of any committee of the Authority, concerning matters relating to the Company except that the dispensations do not apply to any discussion or vote concerning:
- The making of a contract with, or grant or loan to, the Company
  - The giving of consent to remuneration of the directors of the Company, further to Article 21 of the Company's Articles; and
  - The giving of consent to any matter falling within Article 67 of the Company's Articles; and
- d) The dispensation shall be for a period of 4 years running from the date of this meeting

<Councillor Royston Smith returned to the meeting.>

### **32 GOVERNANCE ARRANGEMENTS FOR 3SFIRE LTD**

The Committee considered the report of the Chief Officer in relation to governance arrangements for 3SFire Ltd (Item 9 in the Minute Book).

The Director summarised current governance arrangements in place, as requested previously by the Committee. The formal reporting arrangements as agreed with the Authority, were highlighted, as well as the legal and audit agreements between the two organisations. An internal audit report on 3SFire Ltd would be provided at the next Committee meeting.

Members enquired if development of the Company had been delayed due to the deferral of larger contracts. Councillor Royston Smith explained that 3SFire Ltd had mainly ensured its governance and accreditation arrangements were in place. A priority was to repay the HFRA loan. Members were assured that the Company was making progress and it was noted that financial and business developments could be further assessed at the Company's AGM.

RESOLVED:

The Committee noted the governance arrangements described.

### **33 AMENDMENT TO HFRA STANDING ORDERS**

The Committee considered the report of the Clerk in relation to consideration of an amendment to the Authority's Standing Orders (Item 10 in the Minute Book).

The Clerk summarised the reasons for the consideration as detailed within the report. Members noted that there was no specific provision for notices of motion within the Authority's current Standing Orders.

Members considered that major decisions were not the business of the HFRA, in comparison to the County Council and other authorities, and that an amendment to Standing Orders may put meetings at risk of becoming more party political. Members agreed that HFRA business currently reflected positive group consensus. It was noted that there was also already provision for Members to add items to an Authority meeting agenda under Standing Order 12.

The Chairman asked Members to vote on the proposal and it was unanimous that a change to the HFRA Standing Orders was not to be recommended to the Authority. (Councillor Frankum abstained from the vote.)

RESOLVED:

The Committee gave consideration to whether HFRA's Standing Orders should be amended as provided in Para 4.1 of the report, and it was agreed that there would be no recommended change to the Standing Orders.

#### **34 PROGRESS AND GOVERNANCE OF MAJOR ICT PROJECTS**

The Committee considered the report of the Chief Officer in relation to the progress and governance of major Service ICT projects (Item 11 in the Minute Book).

The HFRS Head of ICT advised Members that all projects, as shown within the report were undertaken with project management methodology as standard. A summary of each of the projects was provided.

In terms of information security, which Members had asked about at the previous meeting of the Committee, it was confirmed that stringent IT security arrangements were in place. The Service's computer network and systems were accredited and the new Command and Control system was close to achieving security accreditation for the radio network and Public Services Network (PSN).

Members enquired about risk of security breaches and current protocols in relation to information sharing between the HFRA and 3SFire Ltd. The Director confirmed that there were restrictions on access to information but that he would review further and provide an update at the next Committee.

RESOLVED:

- a) That HFRS provide an update in relation to information sharing security protocol between the Authority and 3SFire Ltd at the next meeting.
- b) The progress and governance of major Service ICT projects were noted.

## **35 CORPORATE RISK POLICY AND REGISTER**

The Committee considered the report of the Chief Officer in relation to the Authority's Corporate Risk Register (Item 12 in the Minute Book).

The Performance Review Manager explained that the Register was reviewed regularly by the Service's senior management team and annually by the Committee. Higher status risks were highlighted. The Service's health and safety obligation for staff including in relation to road risks was discussed. It was noted that there was a Road Risk Management action plan in place.

Elements of the risk of the Retained Duty System (RDS) failing to provide adequate response, was noted as being part of the Service's Risk Cover Review. An update on protecting vulnerable people (currently 'Amber' status) would be provided to the Authority following the next Safeguarding audit.

Failure to adequately manage the Authority's financial resources in the medium term was a new risk. It would be managed through the Safer Stronger Board and the Budget Alignment Group.

It was confirmed that HFRS was open to receiving suggestions from its officers as well as Members, and noted that, through the new Risk and Insurance Officer, the Register would be communicated more widely within the Service.

RESOLVED:

- a) The Committee approved the current version of the Corporate Risk Register
- b) The Committee agreed that the following risks be removed from the 'active' register:
  - Failure to plan and react to the implications of Comprehensive Spending Review 2011/12 to 2014/15 and beyond (ref 14)
  - Failure to engage our staff in continuing to improve whilst we meet our financial challenge (ref 14a)

## **36 HEALTH AND SAFETY ANNUAL REPORT**

The Committee considered the report of the Chief Officer in relation the Health and Safety arrangements within HFRS (Item 13 in the Minute Book).

The Health and Safety Manager highlighted progress to date and activity within the plan was discussed. The Service's climate safety tool was to be benchmarked with other fire authorities as well as a regional health and

safety audit which was due in March 2014.

Members noted the positive performance results shown within the report and agreed that the 'near misses' category was an important area of continued Service focus.

RESOLVED:

- a) The Committee approved the Health and Safety Annual Report for the year 2012/13
- b) The Committee agreed the content of the Health and Safety Statement of Intent

### **37 WHISTLEBLOWING ARRANGEMENTS IN THE SERVICE**

The Committee considered the report of the Chief Officer in relation to the whistleblowing arrangements in the Service (Item 14 in the Minute Book).

Members were satisfied with the information provided regarding the current arrangements and whistleblowing policy, detailed within the report.

RESOLVED:

- a) The Committee noted the contents of the report and agreed to receive further updates on the review of the Service's Whistleblowing policy.