

Minutes of the meeting of the
GOVERNANCE COMMITTEE held in
the Fire and Rescue Service
Headquarters, Barmston Mere on
MONDAY, 30TH JUNE, 2008 at
12 noon.

Present:

Mr. G.N. Cook in the Chair

Councillors Bell, Carthy, Charlton, Clark and Forbes and Miss G Goodwill.

In Attendance:

Lynn Hunt, Bill Swaddle.

Apologies for Absence

Apologies for absence were received from Councillors Armstrong, McMillan and Woodwark and Mr. I. Paterson.

Declarations of Interest

There were no declarations of interest.

Minutes

1. RESOLVED that the minutes of the last meeting held on 31st March, 2008 (circulated) be confirmed and signed as a correct record.

A Summary of the Standards Committee (England) Regulations 2008

The Deputy Clerk submitted a report (circulated) to summarise in detail the content of the Standards Committee (England) Regulations 2008.

(For copy report – see original minutes).

The Deputy Clerk advised the Committee that at least 25% of a Standards Committee must be made up of independent members. In accordance with the guidance issued by the Standards Board the Authority had appointed a third independent member (Ms. Glenys Goodwill) in compliance with these requirements.

The Standards Committee of an authority must appoint a sub-committee chaired by an independent member to carry out initial assessments of allegations. It was proposed that this should generally be the responsibility of the Chairman of the Committee (Mr. Cook). It must also appoint a sub-committee chaired by an independent member to carry out reviews. It was therefore suggested that this should generally be undertaken by the Vice-Chairman (Mr. Paterson).

For a meeting of the Standards Committee to be valid at least three members must be present, one of whom must be an independent member. No member who took part in the initial assessment of an allegation can attend a sub-committee meeting that is considering a review of a decision to take no further action on a matter.

The Deputy Clerk continued to explain that Standards Committees must publish details of the address or addresses that written allegations should be sent to. Details had been posted on the Authority's website and forms of complaint with the address are displayed in the Brigade Headquarters and Sunderland Civic Centre.

The Committee noted that there may be occasions where a matter is referred to a monitoring officer by a sub-committee of a Standards Committee or an ethical standards officer, with a direction to take steps other than carry out an investigation. The monitoring officer must then submit a written report to the sub-committee or ethical standards officer within three months, giving details of what action has been taken or is proposed to be taken. The Standards Committee must then give written notice of a finding of acceptance to the parties involved, as soon as possible after making it. The member who is the subject of a finding can ask for permission to appeal within 21 days of receiving notification of the Committee's decision.

Having afforded Members the opportunity to ask any questions, the Deputy Clerk advised that a training session would be held at 2.30 p.m. on 30th June at Sunderland Civic Centre, and also following an authority meeting, if required, for those who were unable to attend on the 30th.

It was:-

2. RESOLVED that:

- (i) the contents of this report be noted and the action taken be endorsed;
- (ii) if possible Members attend a training exercise to be held at 2.30 p.m. on 30th June, 2008 at Sunderland Civic Centre.

Procedure for the Local Assessment of Complaints

The Deputy Clerk submitted a report (circulated) advising the need to prepare procedures for the local assessment of complaints based on the guidance issues by the Standards Board.

(For copy report – see original minutes).

The Deputy Clerk referred Members to the following procedures previously circulated:-

- the initial notification of a complaint;
- the process for conducting an initial assessment and the options open to the Assessment Sub-Committee;
- the actions to be taken by the monitoring officer in connection with an investigation or "other steps";
- the necessary actions to be followed where a complaint is referred to the Standards Board;
- the actions to be taken where the decision is to take no action in respect of an allegation;
- the right to request a review;
- withdrawal of complaints;
- confidentiality issues;
- complaints concerning members of more than one authority;
- the composition of the Assessment and Review Sub-Committee;
- the arrangements for convening meetings of the Sub-Committee.

Consideration being given to each of the procedures, the Committee agreed to the Deputy Clerk's suggestion to consolidate the procedures into a handbook for Members, in due course.

It was:-

3. RESOLVED that the draft procedure be approved without modification.

Annual Audit and Inspection Letter – Audit 2006/2007

The Chief Fire Officer, the Clerk to the Authority and the Finance Officer submitted a joint report (circulated).

Lynn Hunt and Bill Swaddle were in attendance to present the findings and answer questions. The report provided the Committee with an overview of the content of the Annual Audit and Inspection Letter for 2006/2007, compiled by the Audit Commission from the findings and conclusions of the work they have carried out in 2006/2007.

(For copy report – see original minutes).

The Chief Fire Officer advised the Committee that as well as providing an overall assessment of performance, the Annual Audit and Inspection Letter also contained specific information relating to how well the Authority has progressed since last year's audit.

The Audit and Inspection Letter provided an overview of the local risk-based work that the Audit Commission undertook during the course of the year. In particular, two topics were examined in detail during 2006/2007.

The first of these was an audit of ethical governance arrangements. The second local audit examined, in depth, the issue of data collection and data quality arrangements in respect of the Best Value Performance Indicators, particularly in relation to accidental fires in dwellings.

Key messages contained within the Letter were that the Authority was improving well and had made good progress on its key priorities of reducing fires, deaths and injuries. It also acknowledged that the Authority contributed to wider community outcomes via effective partnership working and used this involvement to identify communities who are at risk. More positively, the Authority had one of the highest success rates with smoke alarm activations.

The Letter also identified areas that could be improved. In particular, the need to engage more effectively in the national agenda for equality and diversity by strengthening links with hard to reach groups and by ensuring that the workforce reflects the community that it serves. Also the need to develop a better understanding of the relationship between cost and quality of service and the need to take action to reduce the number of accidental dwelling fires in the months and years ahead.

Councillor Clark referred to Paragraph 2.2 upon commenting that the last Comprehensive Performance Assessment (CPA) was in 2005 and questioned when the next assessment would be carried out. The Finance Officer informed the Committee of the current ongoing consultation regarding the introduction of the Comprehensive Area Assessment.

In addition to this, Councillor Clark asked why the number of dwelling fires was so high within Tyne and Wear and the Chief Fire Officer advised that this was partly due to level of deprivation and associated within that: chip pans, smoking and drinking. Perceptions of what constitutes a dwelling fire was also likely to be playing a key role in the numbers recorded.

Councillor Forbes then commented upon the equality and diversity issues and was advised by the CFO that although figures were deemed to be low when compared to other organisations, they were on par with other Fire Authorities.

4. RESOLVED that:-

- (i) the significant issues contained within the Annual Audit and Inspection Letter and the potential impact of these upon the Authority's future policies be noted; and

- (ii) further reports be received as appropriate.

Internal Audit Services Annual Report for 2007/2008

The Finance Officer submitted a report (circulated) providing details of the performance of Internal Audit Services during 2007/2008 together with an overall opinion of the soundness of the internal control environment in place to minimize risk to the Authority.

(For copy report – see original minutes).

Mr. Paul Davies (Assistant City Treasurer – Audit and Procurement – Sunderland City Council) advised the Committee that in accordance with the agreed scheme for the audit of the Authority's key systems, audits had been undertaken within various key areas over the year. For each system the opinion is either satisfactory or good.

All eight of the planned audits had been undertaken within the year and all of the other key performance indicators had been met with the exception of the level of recommendations implemented, although it was highlighted that a significant improvement had been achieved.

Where IAS identified areas for improvement, recommendations were made to further minimize the level of risk. Although a number of recommendations to improve internal control were made, the work undertaken did not identify any matters that would alter the opinion that overall the Authority had a sound internal control environment.

During the year 0 high, 73 medium and 20 low priority recommendations were made in relation to systems operated within the TWFRAs.

Actions plans had been drawn up for the implementation of recommendations and, whilst some action plans were awaiting final agreement, of those action plans already agreed, management had accepted all recommendations.

Follow-up audits were conducted to ensure that agreed audit recommendations were implemented within the time frames agreed with management.

It was:-

5. RESOLVED that the contents of the report be noted.

Annual Review of Effectiveness of Internal Audit Services

The Finance Officer and the Clerk to the Authority submitted a joint report (circulated) to set out the findings of the annual review of the effectiveness of Internal Audit, as required by the Accounts and Audit Regulations 2003 (as amended 2006).

(For copy report – see original minutes).

The Finance Officer advised Members that the self assessment showed that the Internal Audit service complied with the Code.

The Audit Commission have reviewed the effectiveness of the Internal Audit and concluded that:

"We found that there are robust arrangements in place to comply with the Code's standards. Our detailed review of files did not highlight any significant non-compliance with IAS's Quality System or the Code."

At this juncture, the Chief Fire Officer stated that he was appreciative of the level of service received and with the professional manner in which the audit work was undertaken and considered that it was an effective service that met the required standards.

It was:-

6. RESOLVED that the contents of the report be noted.

Annual Governance Review 2007/2008

The Chief Fire Officer, the Clerk to the Authority, the Finance Officer and the Personnel Advisor submitted a joint report (circulated) providing details of the findings of the 2007/2008 Annual Governance Review and seeking approval to the Annual Governance Statement, prior to its incorporation in the Statement of Accounts.

(For copy report – see original minutes).

The Chief Fire Officer advised that the 2007/2008 Annual Governance Review was undertaken by the Corporate Governance Steering Group whose membership comprised the Deputy Chief Fire Officer, the Finance Manager and the Human Resources Manager.

Functional Self Assessments and Area Manager Controls Assurance Statements were examined to ensure that all documents had been completed in full and to identify any issues of significance.

All Area Managers had identified some future plans for improvement to their governance and control arrangements. The future plans for improvement were summarised and issues highlighted to identify any which were significant in terms of the Authority's overall governance and control environment.

The Corporate Risk Profile was considered by the Group and of the 45 risks faced by the Authority, the following should be noted:-

- Twenty six were now considered sufficiently significant to warrant close monitoring by the Corporate Risk Management Group, these would be subject to continual analysis and review during 2008/09; Seven risks were considered 'High Priority'.

The Audit Commission's Annual Audit and Inspection Letter was considered as this letter provided an overall evaluation of the Authority's progress having regard to the core performance assessment, financial and service performance and a consideration of its strengths and areas for development.

Generally speaking, the Authority had robust and effective governance and internal control arrangements in place. The views elicited during the review from Members and all senior managers across the Authority demonstrated that the principles of good governance were embedded.

The review had not identified any weaknesses that would need to be highlighted in the Authority's Annual Governance Statement. A small number of actions had been identified to further develop governance and control arrangements.

It was:-

7. RESOLVED that:-

- (i) the revised Code of Corporate Governance be noted;
- (ii) the Annual Governance Statement be noted; and
- (iii) further reports be received as appropriate.

Statement of Accounts 2007/2008 (Subject to Audit)

The Chief Fire Officer, and the Finance Officer submitted a joint report (circulated) seeking approval to the Authority's Statement of Accounts for 2007/2008 (Subject to Audit).

(For copy report – see original minutes).

The Finance Officer referred Members to the Statement of Accounts however advised that they were still subject to audit.

The final Statement of Accounts would be published following the conclusion of the audit and would include a signed audit certificate. The audited accounts must be approved before 30th September each year.

A further requirement for the Statement of Accounts 2007/2008 was to replace the Statement of Internal Control (SIC) with an Annual Governance Statement. This new statement had been prepared in accordance with CIPFA/SOLACE's new Framework and associated guidance on corporate governance 'Delivering Good Governance in Local Governance' and now included the summary of the Authority's

annual review of the effectiveness of its systems of internal control required by the regulations instead.

The Statement of Accounts (Subject to Audit) for 2007/2008 fully complied with the SORP 2007, except where departures from the SORP were noted, including reasons for the departure, where appropriate.

After the Finance Officer had addressed a range of questions from the Chairman and the other members of the Committee on the accounts, it was:-

8. RESOLVED that the Statement of Accounts for the financial year ended 31st March, 2008 (Subject to Audit) be approved.

Annual Audit and Inspection Plan 2008/2009

The Chief Fire Officer, the Clerk to the Authority, the Finance Officer and the Personnel Advisor submitted a joint report (circulated) to outline, for the information of the Committee, the proposals contained within the Audit and Inspection Plan for 2008/2009.

(For copy report – see original minutes).

Members of the Committee were advised that prior to the publication of any of the completed reports the Audit Commission would discuss and agree the content with the appropriate Officers before the reports were issued. The indicative timetable for agreement and publication of the various audit reports for 2008/2009 was then considered.

The cost of the 2008/2009 Audit and Inspection work was:-

Total Audit Fee	£74,200
Total Inspection Fee (funded by CLG grant)	£25,404

The Authority would meet these costs from within the 2008/2009 budget.

Upon discussion, it was:-

9. RESOLVED that:-

- (i) the Annual Audit and Inspection Plan for 2008/09 be considered; and
- (ii) further reports be received as appropriate.

(Signed) G.N. COOK,
Chairman.