

AT A MEETING of the HFRA Standards and Governance Committee held at The Castle, Winchester on Thursday, 23rd March, 2017

Chairman:
a Councillor Robin McIntosh

p Councillor Geoffrey Hockley
p Councillor Graham Burgess
p Councillor Christopher Carter
p Councillor Sharon Mintoff

p Councillor Matthew Winnington
a Councillor David Harrison
a Councillor Mark Staplehurst
a Councillor David Fuller

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Fuller, Harrison, McIntosh and Staplehurst.

2. DECLARATIONS OF INTEREST

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

There were no declarations of interest received for the meeting.

3. MINUTES OF PREVIOUS MEETING

The minutes of the last meeting held on 7 December 2016 were reviewed and agreed.

4. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements on this occasion.

5. DEPUTATIONS

There were no deputations received for the meeting.

6. HAMPSHIRE FIRE AND RESCUE AUTHORITY EXTERNAL AUDIT PLAN 2016/17

The Committee received a report from the Chief Officer (Item 6 in the Minute Book) setting out the External Audit plan for 2016/17, and explaining how key risks were assessed and outlined the planned audit strategy in response to those risks.

The External Auditor summarised the Plan and highlighted the current financial statement risks facing the Authority which included the risk of Management Override which was seen as a common audit risk and was identified and responded to on every audit engagement.

It was confirmed that the final level of materiality would be reported back when the final statement of accounts was received for the financial year. Members were content with the External Audit Plan for 2016/17.

RESOLVED:

That the Committee receives and accepts the External Audit Plan for 2016/17.

7. INTERNAL AUDIT PROGRESS REPORT 2016/17

The Committee received a report from the Chief Internal Auditor providing an overview of internal audit work completed in accordance with the approved audit plan, as well as an overview of the status of 'live' reports (Item 7 in the Minute Book).

The Officer took Members through the report and explained that this was a regular progress report. Members attention was drawn to Section 4 of the report which highlighted the status of 'Live' reports and reports closed since the last progress report. Section 7 outlined the rolling work programme and Members noted that these were all on track.

RESOLVED:

That the Standards and Governance Committee note the progress of internal audit work for the period ending 28 February 2017.

8. INTERNAL AUDIT CHARTER AND ANNUAL INTERNAL AUDIT PLAN 2017/18

The Committee received a report from the Chief Internal Auditor which presented the proposed annual internal audit plan and the internal audit charter (Item 8 in the Minute Book).

Members were taken through the report and it was highlighted that the Internal Audit Charter as detailed in Appendix A of the report met the requirements of the Public Sector Internal Audit Standards and was reviewed and approved annually by the Standards and Governance Committee. Members attention was also drawn to the Internal Audit Plan which was presented at Appendix B of the

report. It was noted that the Plan was risk based and analysed risk management in relation to Hampshire Fire and Rescue Service as well as Shared Services.

A discussion ensued around recruitment and it was heard that there was an ongoing review of processes and protocols within recruitment.

RESOLVED:

That the Standards and Governance Committee approves the Internal Audit Charter for Hampshire Fire and Rescue Authority and the internal audit plan for 2017/18.

9. PROGRESS REPORT ON THE IMPLEMENTATION OF INTERNAL AUDIT MANAGEMENT ACTIONS

The Committee received a report from the Chief Officer which set out progress on the implementation of internal audit management actions (Item 9 in the Minute Book).

Members were taken through Appendix 1 of the report which detailed the actions in progress and those completed since December 2016. The Networked Fire Control Project and the Partnerships and Associated Contracts in relation to South Central Ambulance Service were confirmed as outstanding actions. Members were content with progress made.

RESOLVED:

That the Standards and Governance Committee notes the report and the progress made towards the implementation of the internal audit management actions detailed in Appendix 1.

10. RISK POLICY AND STRATEGY

The Committee received a report from the Chief Officer which set out the refreshed HFRA Risk Policy and Strategy (Item 10 and Appendix A to Item 10 in the Minute Book).

The report was outlined and it was heard that whilst no major changes had been made to the Strategy since it was last reviewed in 2012, refreshing the Strategy and bringing to the Committee for approval ensured that it remained compliant with current best practice. It was noted that the introduction of a Risk and Assurance Board would further improve the internal governance over risk management.

RESOLVED:

That the Committee approve the refreshed HFRA Risk Policy and Strategy which is attached in Appendix A of the report.

11. HEALTH AND SAFETY 'STATEMENT OF INTENT'

The Committee received a report from the Chief Officer setting out the Health and Safety 'Statement of Intent' (Item 11 in the Minute Book).

The report was introduced and Members heard that Health and Safety remained the highest priority, and the Authority had overall responsibility for the health, safety and welfare of all employees in the Hampshire Fire and Rescue Service and others who may be affected by their activity.

Members were content with the Health and Safety 'Statement of Intent' and agreed to recommend this to the Full Authority.

RESOLVED:

- a) That the Standards and Governance Committee receives the reviewed Statement of Intent (Attached in Appendix 1).
- b) That the Standards and Governance Committee **RECOMMEND** to the Full Authority that the Statement of Intent be approved and signed by the Chairman on behalf of the Authority.

12. INDEPENDENT PERSONS FOR HFRA

The Committee received a report of the Clerk (Item 12 in the Minute Book) setting out proposals for the recruitment of an Independent Person or Persons due to the current four year appointment ending in June 2017. The report was tabled at the meeting alongside an exempt appendix (Item 17 in the Minute Book refers).

The officer outlined the background to the recruitment process and it was heard that a shared recruitment exercise with Winchester City Council had been undertaken, and a joint selection panel met on the 21 March 2017 to consider applications and make recommendations for appointment to both Authorities. The exempt appendix was noted and Members were content to recommend the appointments as detailed in the exempt appendix to the Full Authority.

RESOLVED:

- a) That the Standards and Governance Committee acknowledge progress made in pursuing shared recruitment for Independent Person(s) with Winchester City Council.
- b) That the Standards and Governance Committee **RECOMMEND** to Hampshire Fire and Rescue Authority:
 - i) The appointment of three Independent Persons, recommended by the joint selection panel, as detailed in Exempt Appendix 1 of the report.

- ii) That such appointments be for an initial term of two years, with the option for this to be extended by the Authority to a maximum of four years from the date of the appointment.
- iii) That the allowance for each Independent Person be set at £100 per annum.

13. **NEW POLICY - FIREFIGHTERS 2015 PENSIONS DISCRETIONS POLICY**

The Committee considered a report from the Chief Financial Officer (Item 13 in the Minute Book) regarding the Firefighters 2015 Pension Discretions Policy.

The Officer took Members through the report and it was heard that it was a legal requirement for employers to have a Pensions Discretions Policy for each of the Schemes offered as well as to publish and review. It was highlighted that approval was sought to formalise this through the Committee as the Scheme Manager for the pensions schemes.

In a change to the recommendation detailed in the report in paragraph 2.1, it was noted that approval was sought for the HFRA's 2015, 2006 and 1992 Pensions Discretions Policy. With this amendment, Members agreed the recommendation as below.

RESOLVED:

That HFRA's 2015, 2006 and 1992 Pensions Discretion Policy is agreed.

14. **NEW POLICY - RETIRED FIREFIGHTERS RE-EMPLOYMENT, RE-ENGAGEMENT AND PENSIONS ABATEMENT POLICY**

The Committee considered a report from the Chief Financial Officer (Item 14 in the Minute Book), regarding the Retired Firefighters Re-employment, Re-engagement and Pensions Abatement Policy.

The officer summarised the proposed policy and it was heard that this would provide clarity going forward for re-employment and re-engagement of Firefighters following retirement and address potential significant tax implications in relation to this. It was noted that re-engagement of retired Firefighters would need approval from the Chief Officer in consultation with Directors.

Members welcomed the policy and thanked officers for their hard work.

RESOLVED:

That HFRA's Retired Firefighters Re-employment, Re-engagement and Pensions Abatement Policy is agreed.

15. **PENSIONABLE ALLOWANCES (ADDITIONAL DUTY/TRAINING)**

The Committee considered a report of the Chief Financial Officer (Item 15 in the Minute Book) regarding pensionable allowances in relation to additional duty or training.

The background to the report was outlined and it was heard that as a result of the Norman V Cheshire Fire and Rescue Services 2011 legal case, all Fire and Rescue Authorities had reviewed their local allowances to confirm whether or not their current pensionable or non-pensionable status should change.

Members were taken through The Blackburne Principles as detailed in Paragraph 4 of the report, and it was explained that these should be considered when determining which allowances should be pensionable. Officers highlighted that they were awaiting further national guidance in relation to Training and Additional Responsibility Allowances for clarity.

The related exempt appendix (Item 16 in the Minute Book) was noted.

RESOLVED:

The Committee agreed:

- a) That 10% Training Allowance for Substantive trainers becomes pensionable from 1 April 2017. As an exception, current substantive trainers may apply to have the Training Allowance backdated and treated as a pensionable emolument to 1 April 2016.
- b) That 10% Training Allowance for Temporary promotion trainers becomes non-pensionable under pension scheme rules under the 2015 pension scheme.
- c) That 10% Training Allowance for Temporary promotion trainers under the 2006 and 1992 pension scheme becomes pensionable from 1 April 2017 but is included as part of the Additional Pensions Benefit (APB) calculation (to be consistent with the approach taken with RDS payments last year).
- d) All current Additional Responsibility Allowances continue to be paid as non-pensionable. Any new ARAs developed to be assessed for pensionable status against the Blackburne Principles.

Chairman,