

West Midlands Fire and Rescue Authority

Audit and Risk Committee

You are summoned to attend the meeting of Audit and Risk Committee to be held on Monday, 19 June 2023 at 10:30

to be held at Fire Service Headquarters, 99 Vauxhall Road, Nechells,

Birmingham B7 4HW

and digitally via Microsoft Teams

for the purpose of transacting the following business:

Agenda – Public Session

Item No.

- | | | |
|----|--------------------------------------------------------------------------------------------------------------------------|-----------|
| 1 | To receive apologies for absence (if any) | |
| 2 | Declarations of interests | |
| 3 | Minutes of the Audit and Risk Committee Meeting held on 20 March 2023 | 5 - 16 |
| 4 | Corporate Risk Update | 17 - 42 |
| 5 | Annual Internal Audit Report 2022-23 | 43 - 56 |
| 6 | Governance Statement 2022-23 | 57 - 66 |
| 7 | Monitoring Policies on Raising Concerns at Work - Whistle Blowing Policy and Regulation of Investigatory Powers Act 2000 | 67 - 92 |
| 8 | Pension Board Update | 93 - 118 |
| 9 | Update on Topical, Legal and Regulatory Issues (Verbal Report). | |
| 10 | Audit and Risk Committee Work Plan 2022-2023 | 119 - 126 |
| 11 | Any other business
Discussion of any other business not on the agenda. | |
| 12 | Date of next meeting - Monday 24 July 2023 | |

- 13 **Exclusion of the public and press**
Chair to move:- "*That the public and press be excluded from the rest of the meeting to avoid the possible disclosure of exempt information under Paragraph 3 of the Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.*"

Agenda – Private Session

Item No.

- 14 **Workshop for Members on Statement of Accounts 2022-2023**
- 15 **Committee Members Private Meeting with External Auditors**

Distribution:

David Barrie - Member, Rizwan Jalil - Vice Chair, Catherine Miks - Chair, Sybil Spence - Member

This meeting of the West Midlands Fire and Rescue Authority will be held at Fire Service Headquarters. However, please note that although the meeting will be open to the public, there will be limited capacity due to ongoing social distancing measures.

The meeting will also be held digitally via Microsoft Teams allowing observers to access remotely. To access the meeting, please contact a member of the Strategic Hub, West Midlands Fire Service, who will be able to provide login details (please note that Microsoft Teams is not required to join a meeting) or provide guidance if you wish to attend in person at HQ.

Agenda prepared by Kirsty Tuffin

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This agenda and supporting documents are also available electronically on the

[West Midlands Fire Service Committee Management Information System](#)

Clerk Name:	Karen Gowreesunker
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Minutes of the Audit and Risk Committee

20 March 2023 at 10:30 hours

Conducted as a public meeting at Headquarters and digitally via Microsoft Teams

Present: Councillor Miks (Chair), Councillor Jalil (Vice-Chair), Councillor Barrie and Councillor Spence

Virtually: Councillor Miller, John Mathews (Internal Audit), Avtar Sohal (Grant Thornton), Paul Bennett (Pension Board Representative)

Officers: Karen Gowreesunker, Kal Shoker, Kirsty Tuffin, Martina Doolan, Mike Griffiths, Peter Farrow (Internal Audit), Phil Tromans (Internal Audit) and Tom Embury.

01/23 **Apologies for Absence**

No apologies for absence were received.

02/23 **Declarations of Interest**

There were no declarations of interest registered.

03/23 **Minutes of the Audit and Risk Committee held on 28 November 2022**

Resolved:

1. That the minutes of the Audit and Risk Committee held on 28 November 2022 were approved as a correct record.

04/23 **Matters Arising**

No matters were raised.

05/23 **Audit Findings Report 2021-2022**

Avtar Sohal, Grant Thornton, presented the Audit Findings Report 2021-2022 report that outlined the audit work undertaken by the external auditors and any findings as a consequence.

The Committee were advised that since their update at the last Audit and Risk Committee, the outstanding information on the implantation of a new ledger system had now been included. During the IT review of the systems, it had found deficiencies, but external auditors had been confident there had been no foul play and the Authority had put in measures to prevent inadequate control findings. The new additions to the control findings, as outlined in the report, were highlighted. The Committee were advised that it had been the auditor's intention to sign the audit opinion the end of March 2023.

Resolved:

1. That the contents of the Audit Findings Report 2021-2022 be noted.

06/23 **Statement of Accounts 2021-2022**

Mike Griffiths, Section 151 Officer/Treasurer, presented the Statement of Accounts 2021-2022 report that outlined the Authority's Statement of Accounts for the financial year ended 31 March 2022.

The Committee were advised that following the last update to the Committee in November 2022, all issues raised by the External Auditors had now been updated within the report and relevant appendices. All relevant changes to the report had been highlighted in yellow.

Resolved:

1. That it be agreed that the Statement of Accounts for 2021/2022 as set out in Appendix A be approved.
2. That it be agreed that Statement of Accounts summary for 2021/2022 set out in Appendix B be noted.

07/23 **Informing the Audit Risk Assessment 2022-2023**

Avtar Sohal, Grant Thornton, presented the Audit Risk Assessment 2022-2023 report that outlined the progress of the external auditor (Grant Thornton UK LLP) in delivering their responsibilities.

The Committee were advised that the annual report had been required under the Internal Standards on Auditing (UK). The

annual report included responses from West Midlands Fire and Rescue Management to queries raised by the External Auditors. It was confirmed that nothing from the responses would impact upon the External Audit.

Resolved:

1. That it be agreed that the content of the Informing the Audit Risk Assessment – West Midlands Fire and Rescue Authority 2022/2023 be noted.

08/23 **Addition of Fire Investigation - Corporate Risk**

Karen Gowreesunker, Assistant Chief Fire Officer, presented the Addition of Fire Investigation - Corporate Risk report that a new corporate risk be added to the Corporate Risk Register.

The Committee were advised that The West Midlands Fire Service (WMFS) Fire Investigation and Prevention Section (FIPS) were working towards accreditation under the Quality Standard ISO 17020. In order to comply with the requirements of accreditation, the additional risk for fire investigation would be needed. The accreditation would allow for WMFS to conduct joint investigations with the police in fatal fire incidents (Tier 2) and provide evidence in court if required. The suggested wording for the additional risk outlined was as follows:

Corporate Risk 3.3

The Fire Authority is unable to complete and establish correct origin and cause of Tier 2 Fires (complex investigations) by the Fire Investigation and Prevention Section (FIPS) resulting in reduced confidence, credibility and increased litigation and reputational damage and a reduction in the evidence base to help define the prevention strategy.

The Committee were advised that in addition to conducting Tier 2 fire investigations in the West Midlands, WMFS provided Fire Investigation services to both Staffordshire and Royal Berkshire Fire and Rescue Services. If WMFS did not achieve accreditation it would no longer be able to provide these services after October 2023. More detail would be provided in the next Corporate Risk Update Report.

Resolved:

1. That it be agreed that the addition of the identified Fire Investigation risk to the Corporate Risk Register be approved.

09/23 **Internal Audit – Progress Report**

John Mathews, Internal Auditor, presented the Internal Audit – Progress Report that outlined the progress made against the delivery of the 2022/23 Internal Audit Plan.

The Committee were advised of the assessment of assurance need/risk analysis and RAG rating required for each category. The key issues arising from the internal auditors work highlighted were Risk Management and Governance. No issues of concern were raised for risk management as the audit had shown there had been a good system in place. One area for improvement had been highlighted in Governance around declarations of personal interest but work had already begun by management to improve the process. All issues raised in 2022 had been completed. Overall, both issues had a rating good assurance. The auditors had been on target to complete the Internal Auditors plan by April 2023.

Resolved:

1. That it be agreed that the internal Audit Progress Report be noted.

10/23 **Internal Audit Plan 2023-2024**

Peter Farrow, Internal Auditor, presented the Internal Audit Plan 2023-2024 that outlined the proposed Internal Audit Plan for 2023/24, with an indicative plan covering the period 2024/25 to 2025/26.

The Committee were advised that due to limited resource, the internal auditors would focus upon key areas in which all parties involved agreed upon. He advised that those RAG rated as green would not be included within the plan but reassured members that the internal auditors would continue to monitor them. Amber rated items would be reviewed between 1-3years

and red items on an annual basis. The audits planned for 2023-2024, as per the report, were highlighted.

Resolved:

1. That it be agreed that the Internal Audit Plan for 2023/24 be approved.

11/23 **Internal Audit Charter – Annual Review**

Peter Farrow, Internal Auditor, presented the Internal Audit Charter – Annual Review that outlined the scope and background and mission of the internal auditors.

The Committee were advised that no changes had been made to the Internal Audit Charter since it was last reviewed and approved by Committee in March 2022.

Resolved:

1. That it be agreed that the existing Internal Audit Charter be reviewed and approved subject to its next annual review.

12/23 **Annual Report of the Senior Information Risk Owner**

Karen Gowreesunker provided an overview of the Annual Report of the Senior Information Risk Owner (SIRO) report that provided assurance in relation to how the organisation discharges its duties and responsibilities in relation to information governance.

Martina Doolan, Data Governance Manager, provided a presentation to the Committee, as per appendix B of the report. She advised the Committee that the annual SIRO report had been good practice to provide assurance. Wayne Brown had temporarily been appointed as the new Chief Fire Officer and Karen Gowreesunker as the temporary Assistant Chief Fire Officer responsible for overseeing the SIRO report.

The Committee were advised that Freedom of Information requests and cyber security had been high on the agenda for the

teams involved. Mitigation steps into the delayed freedom of Information request had been put in place by incorporating all reporting into one Microsoft teams' system. This would mean all responses could be acknowledged within 30 days. The impact globally on cyber security was highlighted, with the recent banning of TikTok from official devices used as an example.

Following queries around paper documents, Martina reassured Members that the service had been working with an external company to digitise all documentation and the risks highlighted previously around the storage of documentation/potential water damage had now been rectified. Karen Gowreesunker advised the Committee that all teams involved had a process in place to digitise all their documentation and suppliers would provide assistance to ensure resources could be maintained. It was agreed that an update on the training (phases 1 and 2) for Oracle and relevant timescales be provided at the next Audit and Risk Committee.

Resolved:

1. That it be agreed that the contents of the Annual Report of the Senior Information Risk Owner (SIRO) 2022, be noted.
2. That it be agreed that an update on the training (phases 1 and 2) for Oracle and relevant timescales be provided at the next Audit and Risk Committee.

13/23 **Information Governance Audit Outcomes**

Karen Gowreesunker provided an overview of the Information Governance Audit Outcomes report that focused upon the annual themed audit of information governance activities in the organisation, conducted by Sandwell MBC.

Martina Doolan provided a presentation to the Committee, as per appendix A of the report. She advised the Committee that the Internal Audit had begun on 4 July 2022 until the 21 November 2022. The audit around freedom of Information requested had been evidence based and had resulted in the implementation of a dashboard for the Strategic Enabling Team to ensure all requests could receive their oversight immediately.

This would aide in responses being provided within the required timeframe. Issues around the flow charts had also been rectified by amendments being made around the process and upskilling of the those involved.

Resolved:

1. That it be agreed that the contents of the Annual Report from Sandwell MBC 2022 be noted.

14/23 **Pension Board Update**

Kal Shoker, Finance Manager, presented the Pension Board Update report that outlined the work of the Pension Board to the Audit and Risk Committee in its capacity as the Scheme Manager for the West Midlands Firefighters' Pension Scheme.

The Committee were advised that as agreed at the last Audit and Risk Committee, an action plan had been developed with input from both Pension Board and the Committee, that was aligned to the Pension Regulators recommendations. He advised that, as per appendix A, the Risk Register was reviewed by Pension Board and a delegated sub-committee of the Board on a regular basis.

Tom Embury, Deputy Clerk, advised the Committee that as outlined in the report, the Pension Board had expressed their desire for the Scheme Manager to be delivered through one individual with financial specialism, which had not been uncommon practice. If delegation be granted, it would still remain within the Fire Authority responsibility. Following queries around the risk 17 therein the risk register, Tom advised Members that moving forward Pension Boards would be scheduled before Audit and Risk Committee meetings so feedback can be included. Feedback on Risk 17, around corresponding with Mike Griffiths, would be feedback to the Pension Board.

Following queries around training, it was confirmed that LGA training would be provided to Audit Members on 27 March and Pension Board on 29 March. Following this a training needs

assessment would be conducted with a follow up annual assessment.

Resolved:

1. That it be agreed that the March 2022 version of the Pension Board Risk Register included within Appendix A, be noted.
2. That it be agreed that the progress on key actions included within the Pension Board Action Plan, which included the specific Actions agreed with The Pension Regulator for completion by June 2023, be noted.
3. That it be agreed that the Minutes of the Pension Board Meetings held on 20 September 2022 and 20 October 2022 (Appendix C and D), be noted.
4. That it be agreed that the feedback from the Pension Board regarding the future governance of the Scheme, be noted.

15/23 **Pension Scheme Key Performance Indicators**

Tom Embury, Deputy Clerk to the Authority, presented the Pension Scheme Key Performance Indicators (KPIs) report that outlined the draft KPIs for Members input.

The Committee were advised that following the regulators recommendations, KPIs had been drafted to monitor performances. With the exception of the last two KPIs outlined therein the report, all KPIs had been a statutory requirement and therefore, had to be targeted at 100%. If 100% was not achieved, then the service would be required to report this to the regulator. The last two KPIs included a standard on response times that would be rendered irrelevant when a new system be implemented to do this so it was suggested this could be removed. Following discussions, it was agreed to keep this KPI as it was until the system had been implemented successfully.

Following queries from a member of the public, it was agreed that an update on the trials for the implementation of the Oracle system be provided to the next Pension Board meeting.

Resolved:

1. That it be agreed that delegated responsibility for final sign off of the KPI structure to the Chair of the Committee be approved.

2. That it be agreed that an update on the oracle trial be provided to the next Pension Board meeting.

16/23 **Pension Board Membership**

Tom Embury presented the Pension Board Membership report that outlined the re-appointment of representatives to the Pension Board and options for filling the vacancy of the Independent Chair of the Pension Board.

The Committee were advised that both Alan Tranter and Adam Harper, current Employee representatives had agreed to extend their appointment for a further three years, subject to the approval of the Scheme Manager. A warm welcome was extended to Paul Bennett who was the newly elected third Employee representative to the Pension Board. The options proposed for the outstanding Independent Chair of the Pension Board, as per the report, were highlighted to Members. Following discussions around the lack of funding and the approach taken by other services, it was agreed that the following option would be most appropriate:

- *Remove the role of Independent Chair and alternating chairing duties between Employer and Scheme Side representative.*

The Chair of the Committee requested that a senior officer attend the Pension Board meetings moving forward. It was agreed that Karen Gowreesunker, Assistant Chief Fire Officer, would oversee this action.

Resolved:

1. That it be agreed that the reappointment of Alan Tranter and Adam Harper as Scheme Side/Employee Representatives to the Pension Board be approved.
2. That it be agreed that option 3 to fill the vacancy of the Independent Chair, as per the report, be approved.
3. That it be agreed that Karen Gowreesunker, Assistant Chief Fire Officer, would oversee a senior officer attending Pension Boards moving forward.

17/23 **Update on Topical, Legal and Regulatory Issues (Verbal Report)**

No updates were raised.

18/23 **Audit and Risk Committee Work Programme 2022-2023**

Tom Embury presented the Audit and Risk Committee Work Programme for 2022-2023 that outlined the planned agenda items for future scheduled Audit and Risk Committee meetings.

Resolved:

1. That the Audit and Risk Committee Work Plan 2022-2023 be approved.

19/23 **Exclusion of the Press and Public**

Resolved:

1. That the public and press be excluded from the rest of the meeting to avoid the possible disclosure of exempt information under Paragraph 3 of the Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006."

The Committee adjourned at 12:12pm.

The Committee reconvened at 12:26pm.

20/23 **Fraud Awareness Training**

Phillip Tromans, Internal Audit, provided Members of the Committee with training on Fraud Awareness.

Resolved:

1. That it be agreed that the training on fraud awareness be noted.

21/23 **Private Meeting with Internal Auditors**

Members of the Committee met with Peter Farrow, Internal Auditor, and John Mathews, Internal Auditor to raise any concerns they may have. No concerns were raised.

Resolved:

1. That it be agreed that the private meeting with internal auditors be noted.

The meeting closed at 13:23 hours.

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WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT AND RISK COMMITTEE

19 JUNE 2023

1. CORPORATE RISK UPDATE

Report of the Chief Fire Officer

RECOMMENDED

- 1.1 THAT Audit and Risk Committee approve the Corporate Risk Summaries (Quarter 3 2022/23, Appendix 1 and Quarter 4, 2022/23, Appendix 2) and note the management of Corporate Risk and in particular the addition of a new Prevention Corporate Risk No 3.3.

2. PURPOSE OF REPORT

- 2.1 This update covers a six-month period and is provided to ensure Members remain informed about all aspects relating to the management of the Authority's Corporate Risks. It covers Quarter 3, 2022/23 and Quarter 4, 2022/23.

3. BACKGROUND

- 3.1 This report includes the Corporate Risk Summary for Quarter 3, 2022/23 and Quarter 4, 2022/23. In addition, it provides an update on the management of Corporate Risk
- 3.2 Corporate Risks are those risks which if they occurred would seriously affect the Authority's ability to carry out its core function or deliver its strategic objectives as set out in 'Our Plan'. Currently, the Service maintains 8 Corporate Risks, some of which have more than one element.
- 3.3 Each Corporate Risk is assigned to a risk owner, who is a member of the Strategic Enabling Team (SET). The risk owner has the overall responsibility for monitoring and reviewing the progress being made in managing the risk.

Ref. AU/A&R/2023/Jun/10806232

3.4 To enable for effective risk management, the risk owner reviews and assesses each Corporate Risk monthly. A report is subsequently submitted to SET monthly.

The review and the estimated risk rating undertaken is based on likelihood x impact. The likelihood is a measure of probability of a given risk occurring using a scale of 1 (low) to 4 (high). The impact is a measure of the severity or loss should the risk occur again, using a scale of 1 (low) to 4 (high).

LIKELIHOOD	4				
	3				
	2				
	1				
		1	2	3	4
		IMPACT			

3.5 In undertaking a review of the Corporate Risks, the risk owner will consider the following:

- The direction of travel of the risk,
- The overall confidence that the risk owner has in the control environment to mitigate/reduce the risk being realised,
- The current risk scores (Likelihood and Impact),
- Any issues that have emerged during the previous month,
- Any forthcoming issues that may be likely to emerge that could affect the risk,
- Any changes to the control measures that are in place which are designed to reduce the likelihood of risk realisation, or its impact should the risk be realised,
- The requirement for additional control measures to further reduce the likelihood or impact and strengthen the control environment,

- Any interdependencies with other Corporate Risks,
- The recommended risk score rating.

3.6 As part of the review the risk owner has considered the risk score and rating and updated the summary sheet. The risk owner has provided assurance that the control measures identified are still effective in the management of the risk and identified whether any new risk events or controls have been implemented or are required.

3.7 Where ongoing additional controls are being implemented, risk owners have confirmed the progress in implementing such controls. Work is currently taking place to move Corporate Risk from an Excel document to 3PT during 2023. This will provide a 'One Risk Management tool' and progress will be updated.

3.8 **Quarter 3, 2022/23 (October, November and December)**

The Corporate Risk Assurance Map Summary for Quarter 3 (December), 2022/23 is attached as Appendix 1. It provides the confidence levels of the risk management activity in respect of the Authority's 8 Corporate Risks. It should be noted that some risks have more than one element, providing an update on 15 elements of the risks. The following is the status at the end of Quarter 3 (December 2022).

- Corporate Risks 2.2, 2.3, 4.1, 5.2, 8.1 and 8.2 were awarded a **green** confidence (substantial) opinion, which is the highest level that can be awarded.
- Corporate Risks 1.2, 2.1, 3.1, 3.2, 5.1 and 7.2 were awarded an **amber** (satisfactory) confidence opinion. In all cases, work is in progress to enable for a green rating to be attained.
- Corporate Risks 6.1, 7.1 and 7.3 were awarded a **red** (limited) confidence opinion, due to the inadequacy of key internal controls being in place.

Increase/Decrease in Overall Corporate Risk Score

During Quarter 3, (October 2022- December 2022) Corporate Risk 1.2 increased to an overall risk score of 9 based upon an increase in Likelihood to 3 with Impact remaining at 3 The risk score in the previous quarter was 6. 'Overall Confidence' has been revised to amber from green giving a Satisfactory

Assurance. This was due to an increase in the likelihood of industrial action.

In addition, Corporate Risk 3.1 reduced its overall risk score to 4 based upon a reduction in both Likelihood 2 and Impact 2. The previous quarter risk score was 9. 'Overall Confidence' remains at amber giving a Satisfactory Assurance. This reduction is due to stability in the supplies of smoke detectors and the level of stock returning to a high level.

3.9 **Quarter 4, 2022/23 (January, February and March)**

The Corporate Risk Assurance Map Summary for Quarter 4, 2022/23 is attached as Appendix 2. It provides the confidence levels of the risk management activity in respect of the Authority's 8 Corporate Risks. It should be noted that some risks have more than one element, providing an update on 16 elements of the risks. The following is the status at the end of Quarter 4 (March 2023).

- Corporate Risks 1.2, 2.2, 2.3, 5.2, 8.1 and 8.2 were awarded a **green** confidence (substantial) opinion, which is the highest level that can be awarded.
- Corporate Risks 2.1, 3.1, 3.2, 3.3, 4.1, 5.1 and 7.2 were awarded an **amber** (satisfactory) confidence opinion. In all cases, work is in progress to enable for a green rating to be attained.
- Corporate Risks 6.1, 7.1 and 7.3 has been awarded a **red** (limited) confidence opinion, due to the inadequacy of key internal controls being in place.

Increase / Decrease in Overall Corporate Risk Score

The Likelihood associated with Risk 1.2 was reduced from 3 to 2. The Impact remained at 3, reducing the risk score from 9 to 6 which changed to 'overall confidence' giving a Satisfactory Assurance this was due to the threat of industrial action being removed through the pay discussions with the NJC, this is mainly due to the risk on reputation being removed.

During Quarter 4 Risk 3.1 increased its risk score of likelihood 2 impact 2 with a total risk of 4 'Satisfactory Assurance'. This was due to the delivery of Tymly for Prevention requires ICT capacity

and external support through consultancy. Risk 3.2 also increased its risk to likelihood 2 impact 2 with a total risk score of 4 'Satisfactory Assurance' as effective partnerships cannot be established, the service will not be able to engage with the most vulnerable in our communities and the overall confidence levels remained the same.

The likelihood and impact for Risk 6.1 decreased the risk rating, to a likelihood score of 3 and Impact score of 4 giving an overall risk rating from 'likely' to 'possible' due to cancellation of industrial action.

A new risk was introduced during Quarter 4, Corporate Risk 3.3 (*The Fire Authority is unable to complete and establish correct origin and cause of Tier 2 Fires (complex investigations) by the Fire Investigation and Prevention Section (FIPS) resulting in reduced confidence, credibility and increased litigation and reputational damage and a reduction in the evidence base to help define the prevention strategy*). This new Risk 3.3 has been given the overall confidence score of Amber (Satisfactory Assurance) this is Likelihood score 2 and Impact score 2 indicating 'low impact'.

3.10 Corporate Risk Statement Summary

3.10.1 Corporate Risk 1.2, External (Political and Legislative Environment)

The risk owner reported the following during Quarters 3 and 4:

In Quarter 3, The Service is planning for a significant disruption to normal business should the FBU ballot of its members provide a mandate for industrial action. Potential disruption may impact upon our ability to respond in a timely effective way to the wider reform agenda.

Quarter 4, The accepted grey book pay increase will have to be found from existing budgets. For the current year 2022/2023 this will be supported from Reserves.

This will increase the requirement on the Service to make further efficiencies to ensure a balanced budget.

The Home Office is undertaking a Firefighter productivity and efficiency review. The Service will contribute to and influence this review. The review may provide the evidence base to additional future funding opportunities via the Precept.

3.10.2 Corporate Risk 2.1, People (Positive staff engagement)

The risk owner reported the following during Quarters 3 and 4:-

In Qtr 3 The collective grievance at stations with two pump rescue ladders had been heard and not upheld as decisions around staffing are made in support of ensuring the most effective delivery of Community Risk Management Plan. The Strategic Enabling Team had to consider the possible options to reduce the impact of staffing to employees at these stations.

In Qtr 4 The risk owner reported that during Quarter 4 the following had emerged:

The FBU Membership have accepted a revised pay settlement of 7% for 2022/23 and 5% for 2023/24. The Service has continued to deliver its Business Continuity Plans. This will ensure that the Service had adequately trained staff to respond to any future period of business continuity disruption.

The Service has reinvigorated its Risk Based Crewing Project. This will look at alternative approaches and models for resourcing at multi-pumps and late fire stations. This work is part of the wider Blended Fleet Project.

3.10.3 Corporate Risk 2.2, People (Insufficient or ineffective employees)

The risk owner reported the following during Quarters 3 and 4:

In Quarter 3 There continues to be an ongoing issue regarding a shortage of Emergency Response Drivers (ERD). The CFO and SET have considered a range of options for resolving this issue and the CFO has approved a plan to manage short to longer term solutions to increasing the driver pool over the next three years.

In Quarter 4 A review of the Distributed Training Model and an Organisational Assurance review of Incident Command commenced. These will both inform recommendations for change in support of the Service's commitment to setting its people up to succeed and achieve excellence through continuous improvement. The outcomes of these reviews will ensure that our people provide continue to provide assertive, effective and safe services in the delivery of Our Plan.

A review of the People Programme Delivery Plan will review several key areas to ensure that the Service continues to deliver an outstanding service. This will include the Trainee Firefighter Development Programme Review.

A Paper was presented to the Scrutiny Committee on the 24th of April 2023 outlining the Terms of Reference for the review of Training and Development.

3.10.4 Corporate Risk 2.3, People (Safe and healthy workplace)

The risk owner reported the following during Quarters 3 and 4: -

In Quarter 3 The potential for industrial action has emerged, this will be highlighted in Risk 6.1. In supporting the delivery of legally compliant business

continuity arrangements the Health, Safety and Wellbeing team has provided advice in relation to competence requirements for resilience cover.

In Quarter 4 A review of the quarterly Health Safety and Wellbeing reports, has identified that data for competence and fitness was not available through Oracle. This has been raised within the Digital & Data team to resolve.

3.10.5 Corporate Risk 3.1, Prevention (Engagement with community)

The risk owner reported the following during Quarters 3 and 4:

In Qtr 3 The Fire Brigade Union (FBU) voted to reject the pay offer and therefore members are being balloted on strike action. It is unclear at this time what the outcome will be and therefore what if any impact this will have on the delivery of prevention activities. Various scenarios of Business Continuity arrangements are being drawn up.

A dedicated Cost of Living Crisis MESH page has been published and is updated regularly with advice and guidance to support the delivery of Prevention, Protection and Response activity with the aim of mitigating the increase in risk and vulnerability to fire related to the crisis. As part of the Business Continuity planning, there is a need to consider the potential impact of public sector strikes of partner organisations and the impact this could have on Safe and Well (SAW) referrals and onward referrals for support from a SAW visit.

Quarter 4 - There continues to be a long waiting list for people who have multiple and complex needs who require the support of a Complex Needs Officer (CNO). People are waiting a long time to be allocated a CNO and these individuals are those whose risk and vulnerability to fire is highest. This has been compounded by issues with Activity Assistant that means there is a lack of confidence in CNO referrals coming through.

Also an issue has arisen around the management of Safe And Well To-do lists on stations. Meaning there are a significant number of high-risk referrals and/or have been on the list for many months and/or have had no contact attempts made, this is being managed and progress reported back weekly into SET.

3.10.6 Corporate Risk 3.2, Prevention (Partnership arrangements)

The risk owner reported the following during Quarters 3 and 4:

In Qtr 3 The dedicated Cost of Living Crisis MESH and Website page has been published and is updated regularly with advice and guidance to support the delivery of Prevention Protection Response activity with the aim of mitigating the increase in risk and vulnerability to fire related to the crisis. This includes information and resources for our partner organisations to help them understand the links between the crisis and fire and this has been shared with the aim of increasing referrals for Safe & Well to mitigate cost of living associated fire risks.

In Qtr 4 it was noted that there is a long waiting list for people who have multiple and complex needs who require the support of a Complex Needs Officer (CNO). These people are waiting a long time to be allocated a Complex Needs Officer (CNO). These individuals are those whose risk and vulnerability to fire is highest. The long waiting times have the potential to adversely affect the organisations reputation and relationships with partners.

3.10.7 Corporate Risk 3.3, Prevention

This is a new risk which has been introduced in Quarter 4 (March 2023).

Corporate Risk 3.3 (The Fire Authority is unable to complete and establish correct origin and cause of Tier 2

Fires (complex investigations) by the Fire Investigation and Prevention Section (FIPS) resulting in reduced confidence, credibility and increased litigation and reputational damage and a reduction in the evidence base to help define the prevention strategy). This new Risk 3.3 has been given the overall confidence score of Amber (Satisfactory Assurance) this is Likelihood score 2 and Impact score 2 indicating 'low impact'.

A comprehensive series of controls to prevent and mitigate risk realisation have been developed.

3.10.8 **Corporate Risk 4.1, Protection**

The risk owner reported the following during Quarters 3 and 4:

In Quarter 3 The Industrial Action (IA) risk remains a possibility with the Representative Bodies balloting their members on the latest pay offer. Protection IA guidance has been developed for the Business Continuity Management Team. This will enable Protection to continue with its activities and statutory duties.

In Quarter 4 The risk aligned to the changes to the Business Safety Review scope of work recognised slow progress. A request to the National Fire Chiefs Council has been made to provide more information and direction including agency agreements aligned to the Memorandum Of Understanding.

There is also an ongoing issue with the Corporate Gazetteer not updating Tymly for new properties, resulting in a number of unknown risks within the community (fire standard 2 maintain risk information system. A paper proposing options to resolve this issue will be developed for the consideration of the Strategic Enabling Team.

3.10.9 Risk 5.1, Response (Operational)

The risk owner reported the following during Quarters 3 and 4: -

To support this Business Continuity Planning, arrangements were put in place and were developed with links to Corporate Risk 2.2 and 6.1. This included Business Continuity Resilience training for Flexi Duty System Officers, Middle Managers and Resilience Officers.

The Manchester Arena Inquiry recommendations were being reviewed and considered by the Organisational Assurance team with an action plan being developed.

In Quarter 4 There was a revised pay offer from the National Joint Council which the Fire Brigades Union have taken to their members who have accepted the revised settlement. Continuity Planning were developed, links to CR 2.2 & 6.1 and Business Continuity Resilience training was underway for Flexi Duty System Middle Managers and Resilience Officers. The approaches taken will provide a robust system of control to mitigate against any future business disruption.

3.10.10 Corporate Risk 5.2, Response (Fire Control)

The risk owner reported the following during Quarters 3 and 4:

Call handling training has begun and further requests for support have been communicated to staff. This will ensure resilience in the event of industrial action.

Despite the threat of industrial action being removed as a consequence of the agreement of the revised pay settlement, call handling training for Industrial Action has continued. This will ensure resilience capability is in place for any future shortfall in resources.

3.10.11 **Corporate Risk 6.1, Business Continuity & Preparedness**

The risk owner reported the following during Quarters 3 and 4:

In Quarter 3 The FBU have a live ballot that closes on the 30th of January 2023.

Business Continuity Management Team and Business Continuity Planning Team are in place to manage the actions and activities and have developed robust business continuity plans.

West Midlands Ambulance Service have carried out two periods of strike action, this did not impact on the delivery of services and was monitored closely there were further periods of Industrial Action planned and will be managed in a similar way.

Quarter 4 - On the 8th of February 2023 the National Joint Council increased the pay offer to a multiyear one 7% and 5%, this has been put to Fire Brigades Union members to ballot (outcome at 2pm on 6th March), which was subsequently accepted. Business Continuity Management Team and Business Continuity Planning Team remain in place to manage the actions and activities in preparation for industrial action. There have been further periods of Industrial Action across the public sector, this is monitored through Emergency Planning and the link into the Local Resilience Forum.

Following National Joint Council Agreement, the Major Incident Protocol following will be developed and agreed with the Fire Brigades' Union.

3.10.12 Corporate Risk 7.1, Digital and Data (Provide and support ICT)

The risk owner reported the following during Quarters 3 and 4:

An opportunity has arisen to provide targeted training for the Strategic Enabling Team as part of their role as Information Asset Owners (IAO). This will build capability and strengthen control around information management and GDPR risk.

Quarter 4 A Talent go live and signing of contract for Time and Attendance System will support the eventual removal of risk associated with system failure and reduce our legacy platforms.

Progress has been made around the Oracle Talent Launch. Further training is needed for some staff however legacy systems risks reducing and improved reporting position is already showing areas for improvement.

3.10.13 Corporate Risk 7.2, Digital and Data (Management of information)

The risk owner reported the following during Quarters 3 and 4:

Quarter 3. Following a potential data breach, The Data Protection Office carried out extensive liaison with Data subjects and addressing individual concerns. Data Subjects were offered independent third-party checking services to allow them to take further steps to protect themselves and their data if necessary (there was a low uptake of this). This was reported to the ICO who have taken no further action but provided advice and guidance. The data breach has been closed.

In Quarter 4 There is a possible opportunity to improve information protection through provision of consistent operating system. This is currently being investigated.

3.10.14 **Corporate Risk 7.3, Digital and Data (Cyber Security)**

The risk owner reported that during Quarter 3 and 4:

Endpoint Protection software was due for renewal in February, a SET Paper has been submitted for approval. The report from June 2022 indicated no further cyber breach has occurred after extensive analysis. Providing assurance of our control arrangements.

Quarter 4 There is an ongoing focus in this area in creating opportunities for remediation of long-standing issues. Implementation of new technologies is reducing risks and ongoing transformation projects are reducing the number and size of our legacy systems.

The National Fire Chiefs' Council have engaged with the Home Office to deliver the Cyber Assessment Framework which will identify areas for improvement.

Cyber Assessment Framework assessment has been provided and we are now awaiting feedback, but we as a Service are confident that we have been able to evidence positive elements of our cyber mitigations.

3.10.15 **Corporate Risk 8.1, Finance & Assets (Funding)**

The risk owner reported the following during Quarters 3 and 4:

Quarter 3 - The 2023/24 provisional Finance Settlement was announced on the 19th of December, which overall was more favourable than anticipated. The referendum limit of £5 per Band D property (rather than a 3% increase) provides the opportunity to secure additional funding, subject to Authority approval.

Quarter 4 - At the Fire Authority Meeting held on 13th February 2023, approval was given to the Fire Authority to raise Council Tax by just under the £5 Band D property referendum limit as part of the 2023/24 budget

arrangements. The 2-year Grey Book Pay award for 2022/23 (7%) and 2023/24 (5%) was accepted. The budget assumptions had reflected a 6% pay award for 2022/23 and 5% for 2023/24. As a result, efficiency savings of £1.9M are required in 2023/24 to achieve a balanced budget.

3.10.16 **Corporate Risk 8.2, Finance & Assets (misuse of funds)**

The risk owner reported the following during Quarters 3 and 4:

It was recognised there was the potential for future Information Technology security breaches & the possibility of inappropriate acts by employees relating to the risk of fraud related activity.

As a mitigation to the above, a contract for cyber security was put in place to enhance digital security arrangements.

4. **EQUALITY IMPACT ASSESSMENT**

- 4.1 In preparing this report an initial Equality Impact Assessment is not required and has not been carried out. The matters contained in this report do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

- 5.1 There are no direct legal implications associated with the implementation of the recommendations set out in this report.

6. **FINANCIAL IMPLICATIONS**

- 6.1 There are no financial implications associated with the implementation of the recommendations set out in this report.

7. **ENVIRONMENTAL IMPLICATIONS**

- 7.1 None.

BACKGROUND PAPERS

[Audit and Risk Committee, 28 November, Corporate Risk Update](#)

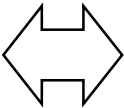
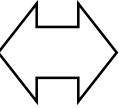
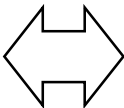
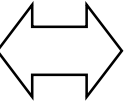
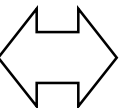
[Audit and Risk Committee, 28 November, Corporate Risk Update - Appendix 1](#)

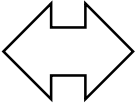
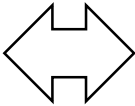
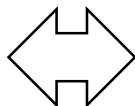
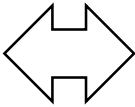
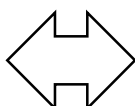
[Audit and Risk Committee, 28 November, Corporate Risk Update - Appendix 2](#)

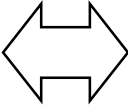
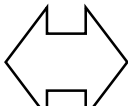
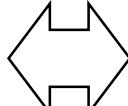
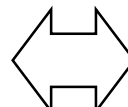
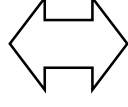
[Audit and Risk Committee, 20 March 2023, Addition of Fire Investigation Corporate Risk](#)

The contact for this report is Head of Portfolio Marc Hudson
Telephone number 07973 810 139

WAYNE BROWN
CHIEF FIRE OFFICER









Business Continuity - Corporate Risk				Dec-22			
No.	Outcome of Risk Realisation	Risk Owner	Direction of Travel	Overall Confidence	Likelihood	Impact	Risk Score
CR1	External (Political and Legislative) Environment	SE Portfolio - Richard Stanton					
1.2	The Fire Authority is unable to positively position itself within public service reform to sustain and create new services resulting in reduced confidence, credibility and/or reputational damage.	Richard Stanton			3	3	9
CR2	People	SE People - Simon Barry					
2.1	The Fire Authority is unable to maintain positive staff consultation and engagement, resulting in an inability to deliver strategic objectives, outcomes and continuous improvement.	Karen Gowreesunker			3	3	9
2.2	The Fire Authority is unable to deliver its Service Delivery Model effectively, as a result of insufficient or ineffective employees, throughout the organisation, resulting in reduced confidence and credibility; and increased reputational damage.	Juliet Malone			2	3	6
2.3	The Fire Authority is unable to meet statutory duties to provide a safe and healthy workplace and protect the environment, resulting in a significant failure and reduced confidence and credibility; and increased criminal proceedings, litigation and reputational damage.	Karen Gowreesunker/ John Ashton			2	3	6
CR3	Delivery of Services - Prevention	SE Prevention - Pete Wilson					
3.1	The Fire Authority is unable to engage with the most vulnerable members of the community and reduce community risk resulting in increased fire and non-fire related incidents, fatalities and injuries.	Pete Wilson			2	2	4




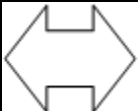
3.2	The Fire Authority is unable to establish effective partnership arrangements and deliver community outcomes, resulting in a significant impact upon the organisation's financial standing, reputation and ability to deliver key objectives.	Pete Wilson			2	2	4
CR4	Delivery of Services - Protection	SE Protection - Steve Ball					
4.1	The Fire Authority is unable to effectively discharge its duties under the Regulatory Reform (Fire Safety) Order and associated legislation, resulting in a decline in non-domestic fire safety standards; reduced confidence and credibility; and increased litigation and reputational damage.	Steve Ball			2	2	4
CR5	Delivery of Services – Response	SE Response - Martin Ward-White, Karen Gowreesunker					
5.1	The Fire Authority is unable to ensure that operational incidents are dealt with safely, assertively and effectively using appropriate levels of resources and personnel, resulting in increased firefighter and community risk; reduced confidence and credibility; and increased reputational damage.	Alex Shapland			3	4	12
5.2	The Fire Authority is unable to maintain its command and control function, resulting in an inability to receive, process and respond to emergency calls effectively, so increasing community risk; reducing confidence and credibility; and increasing reputational damage.	Sam Burton			2	3	6
CR6	Business Continuity & Preparedness	SE Organisational Preparedness - Sam Burton					
6.1	The Fire Authority is unable to provide business continuity arrangements, to maintain delivery of core functions, as a result of extensive disruption to normal working arrangements, including national and international deployments, significant and major events, resulting in increased community risk; reduced confidence; increased reputational damage; and external scrutiny.	Sam Burton			4	4	16
CR7	Digital and Data	SE Digital & Data - Kash Singh					


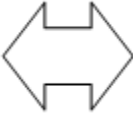
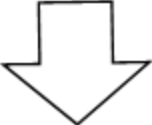
7.1	The Fire Authority is unable to provide and maintain an effective digital and data provision to support the delivery of core functions, resulting in significant disruption to the organisation's functionality, reduced confidence, credibility, reputational damage and external scrutiny.	Kash Singh			4	3	12
7.2	The Fire Authority is unable to provide effective management and security of organisational information and documentation including the receipt, storage, sharing and transfer of information and data, resulting in reputational damage, litigation, substantial fines and external scrutiny.	Kash Singh			3	3	9
7.3	The Fire Authority is unable to prevent, respond to or recover from malicious attempts to damage or disrupt devices, services and networks - and the information on them.	Kash Singh			3	4	12
CR8	Finance & Assets	SE Finance and Resources - Mike Griffiths					
8.1	The Fire Authority is unable to deliver its statutory responsibilities, predominantly through the Service Delivery Model, due to insufficient funds, resulting in external scrutiny and intervention; reduced confidence and credibility; and increased reputational damage.	Mike Griffiths			3	3	9
8.2	The Fire Authority is unable to deliver effective financial management arrangements, due to misuse of funds, resulting in external scrutiny, intervention and litigation.	Mike Griffiths			2	3	6






Corporate Risk Report - Quarter 4, 2022-2023

Item 4

No.	The outcome of Risk Realisation	Risk Owner	Direction of Travel	Overall Confidence	Likelihood	Impact	Risk Score
CR1	External (Political and Legislative) Environment	Head of Portfolio – Marc Hudson					
1.2	The Fire Authority is unable to positively position itself within public service reform to sustain and create new services resulting in reduced confidence, credibility and/or reputational damage.	Marc Hudson			2	3	6
CR2	People	Head of Development and Inclusion – Sam Burton					
2.1	The Fire Authority is unable to maintain positive staff consultation and engagement, resulting in an inability to deliver strategic objectives, outcomes, and continuous improvement.	Sam Burton			3	3	9
2.2	The Fire Authority is unable to deliver its Service Delivery Model effectively, as a result of insufficient or ineffective employees, throughout the organisation, resulting in reduced confidence and credibility; and increased reputational damage.	Sam Burton			2	3	6
2.3	The Fire Authority is unable to meet statutory duties to provide a safe and healthy workplace and protect the environment, resulting in a significant failure and reduced confidence and credibility; and increased criminal proceedings, litigation, and reputational damage.	Sam Burton			2	3	6

CR3	Delivery of Services - Prevention	Head of Prevention – Pete Wilson					
3.1	The Fire Authority is unable to engage with the most vulnerable members of the community and reduce community risk resulting in increased fire and non-fire related incidents, fatalities, and injuries.	Pete Wilson			3	3	9
3.2	The Fire Authority is unable to establish effective partnership arrangements and deliver community outcomes, resulting in a significant impact upon the organisation's financial standing, reputation, and ability to deliver key objectives.	Pete Wilson			3	3	9
3.3	The Fire Authority is unable to complete and establish correct origin and cause of Tier 2 Fires (complex investigations) by the Fire Investigation and Prevention Section (FIPS) resulting in reduced confidence, credibility and increased litigation and reputational damage and a reduction in the evidence base to help define the prevention strategy.	Pete Wilson			2	2	4
CR4	Delivery of Services - Protection	Head of Protection – Steve Ball					
4.1	The Fire Authority is unable to effectively discharge its duties under the Regulatory Reform (Fire Safety) Order and associated legislation, resulting in a decline in non-domestic fire safety standards; reduced confidence and credibility; and increased litigation and reputational damage.	Steve Ball			2	2	4
CR5	Delivery of Services – Response	Head of Response, FC & Emergency Planning – Alex Shapland					

5.1	The Fire Authority is unable to ensure that operational incidents are dealt with safely, assertively, and effectively using appropriate levels of resources and personnel, resulting in increased firefighter and community risk; reduced confidence and credibility; and increased reputational damage.	Alex Shapland			2	4	8
5.2	The Fire Authority is unable to maintain its command-and-control function, resulting in an inability to receive, process and respond to emergency calls effectively, so increasing community risk; reducing confidence and credibility; and increasing reputational damage.	Alex Shapland			2	3	6
CR6	Business Continuity & Preparedness	Head of Response, FC & Emergency Planning – Alex Shapland					
6.1	The Fire Authority is unable to provide business continuity arrangements, to maintain delivery of core functions, as a result of extensive disruption to normal working arrangements, including national and international deployments, significant and major events, resulting in increased community risk; reduced confidence; increased reputational damage; and external scrutiny.	Alex Shapland			4	4	16
CR7	Information, Communications and Technology	Head of Digital & Data - Kash Singh					

7.1	The Fire Authority is unable to provide and maintain an effective ICT provision to support the delivery of core functions, resulting in significant disruption to the organisation's functionality, reduced confidence, credibility, reputational damage, and external scrutiny.	Kash Singh			4	3	12
7.2	The Fire Authority is unable to provide effective management and security of organisational information and documentation including the receipt, storage, sharing and transfer of information and data, resulting in reputational damage, litigation, substantial fines, and external scrutiny.	Kash Singh			3	3	9
7.3	The Fire Authority is unable to prevent, respond to or recover from malicious attempts to damage or disrupt devices, services, and networks - and the information on them.	Kash Singh			3	4	12
CR8	Finance & Assets	Head of Finance and Resources - Mike Griffiths					
8.1	The Fire Authority is unable to deliver its statutory responsibilities, predominantly through the Service Delivery Model, due to insufficient funds, resulting in external scrutiny and intervention; reduced confidence and credibility; and increased reputational damage.	Mike Griffiths			3	3	9
8.2	The Fire Authority is unable to deliver effective financial management arrangements, due to misuse of funds, resulting in external	Mike Griffiths			2	3	6

	scrutiny, intervention, and litigation.					
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WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT AND RISK COMMITTEE

19 JUNE 2023

1. **ANNUAL INTERNAL AUDIT REPORT – 2022/23**

Report of the Audit Services Manager.

RECOMMENDED

1.1 THAT the Annual Internal Audit report for 2022/23 be approved.

2. **PURPOSE OF REPORT.**

2.1 This report is submitted for member comment and approval

3. **BACKGROUND**

3.1 The attached report details the work of the internal audit service undertaken in 2022/23. It provides an opinion on the adequacy and effectiveness of the Authority's governance, risk management and internal control processes.

3.2 The contents of the report also provide one element of the evidence that is required to underpin the Authority's Governance Statement.

3.3 It summarises the audit work undertaken during the year in a tabular format, this includes:

- the areas subject to review during the year (Auditable Area)
- the level of risk to the Authority assigned to each auditable area (high, medium or low)
- the number of recommendations made as a result of each audit review
- details of any other work undertaken outside of the original plan

Finally, it provides a summary of the key control issues that arose during the year.

4. **EQUALITY IMPACT ASSESSMENT**

- 4.1 In preparing this report an initial Equality Impact Assessment is not required and has not been carried out. The matters contained in this report will not lead to and/or do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

- 5.1 The Accounts and Audit Regulations Act states that a relevant body must “maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper internal audit practices”.

6. **FINANCIAL IMPLICATIONS**

- 6.1 There are no direct financial implications arising from this report.

7. **ENVIRONMENTAL IMPLICATIONS**

- 7.1 There are no direct environmental implications arising from this report.

8. **BACKGROUND PAPERS**

Annual Internal Audit Report 2022/23.

Peter Farrow
Audit Services Manager, Sandwell MBC

Annual Internal Audit Report 2022/23

Audit and Risk Committee
19 June 2023



Section		Page
1	Introduction	3
2	Internal Audit Opinion	4
3	Performance of the Audit Service	5
4	Summary of Work Undertaken and Key Issues Arising	9

1 Introduction

1.1 Our internal audit work for the period from 1 April 2022 to 31 March 2023 was carried out in accordance with the approved internal audit plan. The plan was constructed in such a way as to allow us to make a statement on the adequacy and effectiveness of the Authority's governance, risk management and control processes.

In this way, our annual report provides one element of the evidence that underpins the Governance Statement the Authority is required to make within its annual financial statements. This is only one aspect of the assurances available to the Authority as to the adequacy of governance, risk management and control processes. Other sources of assurance on which the Authority may rely could include:

- The work of the External Auditors (currently Grant Thornton)
- The result of any quality accreditation
- The outcome of visits by HMRC
- Other pieces of consultancy or third-party work designed to alert the Authority to areas of improvement
- Other external review agencies

1.2 The definition of internal audit, as described in the Public Sector Internal Audit Standards, is set out below:

“Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.”

Overall Assurance

1.3 As the providers of internal audit, we are required to provide the Authority with an opinion on the adequacy and effectiveness of the governance, risk management and control processes. In giving our opinion, it should be noted that assurance can never be absolute. The most that internal audit can provide is reasonable assurance that there are no major weaknesses in the Authority's governance, risk management and control processes. In assessing the level of assurance to be given, we have considered:

- All audits undertaken for the year ended 31 March 2023;
- Any follow-up action taken in respect of audits from previous periods;
- Any fundamental or significant recommendations not accepted by management and the consequent risks;
- Any limitations which may have been placed on the scope of internal audit; and
- The extent to which any resource constraints may impinge on the ability to meet the full audit needs of the Authority.

2 Internal Audit Opinion

2.1 We have conducted our audits in accordance with the Public Sector Internal Audit Standards. Within the context of the parameters set out in paragraph 1.3 above, our opinion is as follows:

2.2 Based on the work undertaken during the year and the implementation by management of the recommendations made, Internal Audit can provide ***reasonable assurance** that the Fire Authority has an adequate and effective framework of governance, risk management and control.

*We are pleased to report that this is an unqualified opinion and the highest level of assurance available to Audit Services. As stated in paragraph 1.3 “In giving our opinion it should be noted that assurance can never be absolute. The most that internal audit can provide is reasonable assurance that there are no major weaknesses in the Authority’s governance, risk management and control processes”.

Factors Influencing the Opinion and Issues Relevant to the Statement on Internal Control

2.3 In reaching this opinion, the following factors were taken into consideration:

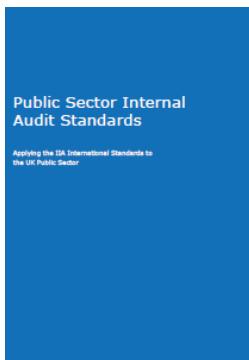
- The need for management to plan appropriate and timely action to implement both our and the External Auditor’s recommendations.
- Key areas of significance, identified as a result of our audit work performed in year, are detailed in the Appendix to this report.

2.4 The overall opinion can be used by the Authority in the preparation of the Governance Statement.

2.5 Internal audit activity is organisationally independent and further details behind the framework within which internal audit operates, can be found in the internal audit charter.

3 Performance of the Audit Service

Compliance with the Public Sector Internal Audit Standards



Our reviews were carried out in accordance with the Public Sector Internal Audit Standards, which specify rules of conduct for objectivity, due professional care and confidentiality.

Customer Satisfaction

Customer satisfaction questionnaires are issued for all audits. From the responses returned, the average scores were as follows:

Question	2022/23
Usefulness of audit	4.4
Value of recommendations	5.0
Usefulness of initial discussions	4.4
Fulfilment of scope & objectives	5.0
Clarity of report	5.0
Accuracy of findings	5.0
Presentation of report	5.0
Time span of audit	4.7
Timeliness of audit report	4.7
Consultation on findings/recommendations	5.0
Helpfulness of auditors	5.0
Overall Satisfaction with Audit Services	4.8

Scores range between 1 = Poor and 5 = very good. We have a target of achieving on average a score of **4 = good**.

Quality Assurance and Improvement Programme

Sandwell Audit Services have a Quality Assurance and Improvement Programme. During the year, the internal audit activity there have been no significant areas of non-conformance or deviations from the standards as set out in the Public Sector Internal Audit Standards.

Staff are recruited, trained and provided with opportunities for continuing professional development. Staff are also supported to undertake relevant professional qualifications. All staff are subject to a formal staff appraisal process, which leads to an identification of training needs. In this way, we ensure that staff are suitably skilled to deliver the internal audit service. This includes the delivery of specialist skills which are provided by staff within the service with the relevant knowledge, skills and experience.

Advice and assistance

Finally, throughout the year we provide ongoing advice and assistance to all areas of the Authority on internal control and related issues, including on the development of an assurance framework.

4 Summary of Work Completed to inform the 2022/23 Internal Audit Opinion

A detailed written report and action plan is prepared and issued for every internal audit review. The responsible officer will be asked to respond to the report by completing and returning the action plan. This response must show what actions have been taken or are planned in relation to each recommendation. If the recommendation is not accepted, this must also be stated. Audit Services are responsible for assessing whether the managers response is adequate.

Where appropriate, each report we issue during the year is given an overall opinion based on the following criteria:

	Level	System Adequacy	Control Application
(positive opinions)	Substantial Assurance	Robust framework of controls ensures objectives are likely to be achieved.	Controls are applied continuously or with minor lapses.
	Reasonable Assurance	Sufficient framework of key controls for objectives to be achieved, but control framework could be stronger.	Controls are applied, but with some lapses.
(negative opinions)	Limited Assurance	Risk of objectives not being achieved due to the absence of key internal controls.	Significant breakdown in the application of controls.
	No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified.	The system of governance, risk management and control is inadequate.

This is based upon the number and type of recommendations we make in each report. Each recommendation is categorised in line with the following:

Fundamental	Action is imperative to ensure that the objectives for the area under review are met.
Significant	Requires action to avoid exposure to significant risks in achieving the objectives for the area under review.
Merits attention	Action advised to enhance control or improve operational efficiency.

During the year we made the following number of recommendations:

	2021/22	2022/23
Fundamental	-	-
Significant	8	2
Merits attention	4	1
Total	12	3

The following appendices/tables below list all the reports issued by internal audit during 2022/23, alongside their original Assessment of Assurance Need (AAN) risk score, the number and type of recommendations made, whether those recommendations have been accepted and an overall level of assurance for each review.

Summary of Internal Audit Work Completed for the 2022/23 Internal Audit Opinion

Auditable Area	AAN Rating	Recommendations					Level of Assurance
		Fundamental	Significant	Merits attention	Total	Number accepted	
Freedom of Information	Medium	0	1	1	2	2	Substantial
Fixed Asset Accounting	KFS	0	0	0	0	0	Substantial
Accounts Payable	KFS	0	0	0	0	0	Substantial
Budgetary Control	KFS	0	0	0	0	0	Substantial
Accounts Receivable	KFS	0	0	0	0	0	Substantial
Governance	High	0	1	0	1	1	Substantial
Risk Management	High	0	0	0	0	0	Substantial
Payroll	KFS	0	0	0	0	0	Substantial
Data Protection	High						In progress
Partnerships	Medium						In progress
Total		0	2	1	3	3	

Key	
KFS	Key Financial System. Generally, this is also a high-risk review.
AAN	Assessment of Assurance Need.
In progress	These reviews are in progress. To date no issues have arisen that would impact upon our annual audit opinion given in paragraph 2.2.

[ILO: UNCLASSIFIED]

Key issues arising during the year

The following is a brief overview of the key issues identified during the year.

Freedom of Information

A review was undertaken to provide assurance that adequate controls were in place for the dealing with and responding to Freedom of Information requests. An issue we identified related to requests not always being responded to within the designated 20-day timeframe. It is acknowledged that the relevant information requested was collated in a timely manner, rather the issue related to delays in the approval process which resulted in the information not being sent to the requestor within the stipulated timeframe. A management response has been received confirming agreement of the report and an action plan provided detailing how an automated approval process has been implemented to address this issue.

Governance

The objective of our review of governance for the current year was focussed upon the adoption, adequacy and application of the Local Government Transparency Code and to ensure that the control system in place mitigated risks to the achievement of the Authority's objectives in this area. The review identified one issue where improvement could be made, as detailed in both the Code of Conduct (which forms part of the Constitution) and the Anti-Fraud, Corruption and Bribery Policy, is a requirement that employees must declare to their line manager any financial or non-financial personal interests that could bring about conflict with the interests of the Authority. The review identified that this requirement is not being consistently complied with. There is evidence that interests are being declared in meetings, where appropriate, but that the annual returns are not being completed by employees. The declaration of interests' process is integral for promoting the transparency of the decision-making process throughout the Authority and for mitigating the risk of reputational loss.

As part of our previous review of governance we noted that a number of policies including those which formed part of the appraisal/performance management/appraisal framework, and the Whistleblowing and Anti-Fraud and Corruption Policy had not been reviewed on a regular basis.

As part of our latest review, we followed-up these matters and confirmed that they have been addressed and the policies have been reviewed and approved.

Risk Management

An audit of the risk management processes was undertaken to review the management of risk by the authority and to provide assurance that there is a clear understanding of how risk is to be managed and that risks are identified, recorded and effectively managed. No issues of concern were identified.

Key Financial Systems Reviews

No issues of concern were identified in the following areas:

- **Accounts Receivable**

A review of the accounts receivable system was undertaken to ensure that an effective system was in place for raising invoices and managing debtors. This included the integrity and reliability of charging information recorded in the

accounts, the collection of payments and the process to monitor and report the debtor position.

- **Accounts Payable**

A review of the accounts payable system was undertaken to ensure that adequate key controls were in place. Our review focused on the controls designed to prevent, overpayments, fraud and incorrect accounting.

- **Fixed Asset Accounting/Asset Planning**

An audit of fixed asset accounting was undertaken in respect of planned capital expenditure. The review was undertaken to provide assurance that an appropriate process was in place to maintain details of fixed assets and to record them correctly in the accounts.

- **Budgetary Control**

A review of the budgetary control system was undertaken to ensure the Fire Service had established its budget and was managing it appropriately. Our review covered controls over monitoring, reporting, changes to budgets and the process to link budgets to medium and long-term plans.

- **Payroll**

A review of the payroll system was undertaken to ensure the Fire Service had appropriate controls in place to mitigate the risk of fraud and error in the calculation, recording and payment of the payroll.

Data Protection

A review is currently in progress to provide assurance that the necessary safeguards are in place to ensure the appropriate use of personal and corporate information.

We have undertaken relevant testing and held discussions with respective Authority officers to enable us to begin to form an opinion on the effectiveness of the overall control environment. There remains one test to complete for which information is pending. Once this test is complete the respective report will be compiled. The specific details will be reported to the Audit and Risk Committee pending completion of our internal quality review protocol and distribution and discussion process with the Authority senior management. It can be stated however, that to date the review has not highlighted any significant issues.

Partnerships

A review is currently in progress to provide assurance that partnership agreements have been properly established and that effective governance and monitoring arrangements are in place to ensure that expected outcomes are being achieved. The draft report is currently being compiled. The specific details will be reported to the Audit and Risk Committee pending completion of our internal quality review protocol and distribution and discussion process with the Authority senior management. It is likely however, that there will be some issues that need to be addressed.

Other areas of assistance provided

CIPFA – Audit Committee Updates

We continue to present the regular CIPFA Audit Committee Updates to the Audit and Risk Committee.

Internal Audit Plan 2023/24

We submitted the Internal Audit annual plan for 2023/24 to the committee for approval at the March 2023 meeting.

Internal Audit Annual Report 2021/22

We presented the Internal Audit annual report for 2021/22 to the committee for comment and approval at the June 2022 meeting.

Internal Audit Charter

We undertake and present to the committee an annual review of the Internal Audit Charter. The latest version was presented for comment and approval at the March 2023 meeting.

Counter Fraud

We continue to lead on the Cabinet Office's National Fraud Initiative and their other associated fraud related activity (such as the Annual Fraud Survey), on behalf of the Authority and to provide the main point of contact for any investigations into potential fraudulent activity.

Training

We provided training to the committee on "Fraud Awareness". This took place at the meeting held in March 2023.

WEST MIDLANDS FIRE AND RESCUE AUTHORITY**AUDIT AND RISK COMMITTEE****19 JUNE 2023****1. GOVERNANCE STATEMENT 2022/23**

Joint report of the Chief Fire Officer, Treasurer and Monitoring Officer.

RECOMMENDED

- 1.1 THAT the Committee approves the Governance Statement for 2022/23.

2. PURPOSE OF REPORT

This report is submitted to Members to seek comments and consideration of the Governance Statement for 2022/23.

3. BACKGROUND

- 3.1 West Midlands Fire and Rescue Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 3.2 In discharging this overall responsibility, the Authority is also responsible for putting in place proper arrangements for the governance of its affairs, which includes arrangements for the management of risk.
- 3.3 Every Local Authority has to produce a Governance Statement (see attached Appendix) with its audited Statement of Accounts, which for 2022/23 are due to be made available by the end of September 2023.

- 3.4 The Governance Statement is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The Governance Statement is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically.
- 3.5 The Statement is signed by the Chair of the Authority and the Chief Fire Officer who have a responsibility to ensure that the document is supported by reliable evidence and accurately reflects the Authority's internal control environment. The Governance Statement has operated throughout the year ended 31 March 2023 and up to date of the approval of the annual report and accounts.

4. **EQUALITY IMPACT ASSESSMENT**

- 4.1 In preparing this report an initial Equality Impact Assessment is not required and has not been carried out because the matters contained in this report do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

- 5.1 The Authority has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. As part of this it has to produce a Governance Statement.

6. **FINANCIAL IMPLICATIONS**

- 6.1 There are no direct financial implications arising from this report.

BACKGROUND PAPERS

None.

The contact officer for this report is Assistant Chief Fire Officer Karen Gowreesunker, 0121 380 6006.

Wayne Brown
Chief Fire Officer

Mike Griffiths
Treasurer

Satinder Sahota
Monitoring Officer

ANNUAL GOVERNANCE STATEMENT**1. Scope of Responsibility**

- 1.1 West Midlands Fire and Rescue Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for. The Authority also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this duty, the Authority is also responsible for putting in place proper arrangements for the governance of its affairs which facilitates the effective exercise of the Authority's functions and which includes arrangements for the management of risk.
- 1.3 The Authority has complied with the code of corporate governance which is consistent with the principles of the revised CIPFA/SOLACE Framework 2016 published by CIPFA in association with the International Federation of Accountants (IFAC) – Delivering Good Governance in Local Government. The Authority has also complied with the requirements of CIPFA's statement on the role of the Chief Financial Officer in Local Government. This Annual Governance Statement explains how the Authority has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2015, regulation 6 which require the Authority to prepare an Annual Governance Statement.

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems and processes, culture and values by which the Authority is directed and controlled and its activities through which it accounts to and engages with the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, value for money services.
- 2.2 The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place for the year ended 31st March 2023 and up to the date of the approval of the annual report and statement of accounts.

3. The Governance Framework

The key elements of the systems and processes that comprise the Authority's governance arrangements include the following:

- 3.1 The Authority has produced a Corporate Strategy setting out its objectives and there is regular performance monitoring in which achievement of the Authority's objectives is measured and monitored.
- 3.2 The Authority has established clear channels of communication with the community and stakeholders regarding consultation on the key priorities of the Service. This also encourages open communication.
- 3.3 The Authority facilitates policy and decision-making via regular Policy Planning Forums and Authority meetings. An Audit and Risk Committee provides independent assurance to the Authority on risk management and internal control and the effectiveness of the arrangements the Authority has for these matters. The constitution of the Committees, including the terms of reference, is reviewed annually and available on the Internet.
- 3.4 The Authority ensures compliance with established strategies, procedures, laws and regulations – including risk management. The Authority also maintains and reviews regularly its code of conduct and whistle blowing policy. There is a comprehensive induction programme in place and information regarding strategies and procedures are held on the intranet, which continues to be developed. The Authority has a strong Internal Audit function and established protocols for working with External Audit.
- 3.5 West Midlands Fire and Rescue Authority will continue to enhance and strengthen its internal control environment through the review of current policies and procedures.
- 3.6 The Authority has corporate risk management arrangements in place which are supported by an approved Risk Management Strategy enabling Managers and other senior officers to identify, assess and prioritise risks within their own work areas which impact on the ability of the Authority and its services to meet objectives. To consider the effectiveness of the Authority's risk management arrangements is a specific term of reference for the Audit and Risk Committee and risk management is a specific responsibility of both the Chair and Vice Chair.
- 3.7 The Authority's Corporate Risk Register identifies the principal risks to the achievement of the Authority's objectives and assesses the nature and extent of those risks (through assessment of likelihood and impact). The Register identifies risk owners whose responsibility includes the identification of controls and actions to manage them efficiently, effectively and economically.

- 3.8 The Authority ensures the economical, effective and efficient use of resources, and secures continuous improvement in the way in which its functions are exercised, by having regard to a combination of economy, efficiency and effectiveness as required by the Best Value duty. The Authority plans its spending on an established planning cycle for policy development, budget setting and performance management through the business planning process. This ensures that resources are aligned to priorities and secures best value from the resources that are available.
- 3.9 The Chief Financial Officer is a key member of the leadership team, helping to develop and implement the Authority's strategy. The Authority's financial system is an ORACLE based general ledger and management information system, which integrates the general ledger function with those of budgetary control and payments. Financial Regulations and Contract Procedure Rules are approved and regularly reviewed by the Authority. A rigorous system of monthly financial monitoring ensures that any significant budget variances are identified in a timely way, and corrective action initiated.
- 3.10 The Authority's performance management and reporting of performance management continues to be improved with a more focused Corporate Strategy, the setting of priorities and is supported by regular performance monitoring.
- 3.11 The Authority within its committee framework has an Appointment, Standards and Appeals Committee to promote high ethical standards amongst Members. This Committee leads on developing policies and procedures to accompany the Code of Conduct for Members and is responsible for local assessment and review of complaints about members' conduct. The Authority also has a Scrutiny Committee which undertakes performance management functions, informs policy development and holds officers and the Authority to account.
- 3.12 The Fire and Rescue National Framework for England sets out a requirement for Fire and Rescue Authorities to publish 'Statements of Assurance'. Specifically, Fire and Rescue Authorities must provide assurance on financial, governance and operational matters and show how they have had due regard to the expectations set out in their Community Risk Management Plan and the requirements included in this Framework. The Authority has approved the Statement of Assurance which is available on the Service's website.

4. **Review of Effectiveness**

- 4.1 The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the statutory officers and principal managers of the Authority who have responsibility for the development and maintenance of the governance environment, the internal audit annual report and comments made by the external auditor in their Auditor's Annual Report and other reports.
- 4.2 Section unit business plans contain a variety of performance indicators and targets that are regularly reviewed.
- 4.3 The Authority's political governance arrangements, which are appropriately reviewed by officers, set out the responsibilities of both Members and senior managers. In particular, the Authority has identified the following statutory post holders:-
- Chief Fire Officer
 - Treasurer
 - Monitoring Officer

In addition to the statutory posts, the post of Clerk to the Authority has been maintained.

- 4.4 The arrangements for the provision of internal audit are contained within the Authority's Financial Regulations. The Treasurer is responsible for ensuring that there is an adequate and effective system of internal audit of the Authority's accounting and other systems of internal control as required by the Accounts and Audit Regulations 2015. The internal audit provision operates in accordance with the CIPFA Code of Practice for Internal Audit in Local Government. The Authority's Audit Plan is prioritised by a combination of the key internal controls, assessment and review on the basis of risk and the Authority's corporate governance arrangements, including risk management. The work is further supplemented by reviews around the main financial systems, scheduled visits to Authority establishments and fraud investigations. Internal Audit leads on promoting a counter-fraud culture within the Authority.
- 4.5 The resulting Audit Plan is discussed and agreed with officers of the Strategic Enabling Team and the Audit and Risk Committee and shared with the Authority's external auditor. Meetings between the internal and external auditor ensure that duplication of effort is avoided. All Authority Audit reports include an assessment of the adequacy of internal control and prioritised action plans to address any areas needing improvement.

- 4.6 The Authority's review of the effectiveness of the system of internal control is informed by:-
- The work undertaken by Internal Audit during the year;
 - The work undertaken by the external auditor reported in their annual audit;
 - Other work undertaken by independent inspection bodies.
- 4.7 From the work undertaken by Internal Audit in 2022/2023 the Internal Audit has given a 'reasonable assurance' that the Authority has adequate and effective governance, risk management and internal control processes. This represents an unqualified opinion and the highest level of assurance available to Audit Services. In giving this opinion it is recognised that assurance can never be absolute. The most that internal audit can provide is reasonable assurance that there are no major weaknesses in the Authority's governance, risk management and control processes.
- 4.8 The Authority is able to confirm that its financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.
- 4.9 Audit Services have reported and advised on the implications of the result of the review of effectiveness of the governance framework by the sources noted above and that the arrangements continue to be regarded as fit for purpose in accordance with the Authority's governance framework. The areas to be specifically addressed are outlined in 5.5.

5. Significant governance arrangements within the Authority

- 5.1 West Midlands Fire & Rescue Authority has a legal duty to provide an efficient, safe and effective fire and rescue service. The key priorities are:-
- Prevention – safer and healthier communities
 - Protection – stronger business communities
 - Response – dealing effectively with emergencies
- 5.2 These formed the basis of the Authority's three year rolling strategy 2022-25 and Annual Plan which set out the outcomes and priorities based on the Community Risk Management Plan and Medium-Term Financial Plan. The five-minute risk based attendance standard lies at the heart of the Service Delivery Model. The model shows how staff provide the core prevention, protection and response services to make the West Midlands safer, stronger and healthier.
- 5.3 Grant Thornton, the Authority's External Auditors, published the Audit Findings Report for its 2021/2022 audit work which reported an unqualified opinion on the financial statements. They are also required to issue a value for money conclusion stating if the Authority had proper arrangements in all significant respects to ensure it delivered value for money in the use of resources. The 2021/22 value for money conclusion is currently being undertaken alongside the 2022/23 conclusion and will be reported in due course.

5.4 Based on audit work undertaken during the year, an Annual Internal Audit Report was presented to the Audit and Risk Committee on 19 June 2023. Audit work which was completed in 2022/2023 included:-

- Freedom of Information
- Fixed Asset Accounting
- Accounts Payable
- Budgetary Control
- Accounts Receivable
- Governance
- Risk Management
- Payroll
- Data Protection
- Partnerships

5.5 As a result of these audits the following were identified as the main issues:-

Freedom of Information

A review was undertaken to provide assurance that adequate controls were in place for dealing with and responding to Freedom of Information requests. An issue identified related to requests not always being responded to within the designated 20-day timeframe. It was acknowledged that the relevant information requested was collated in a timely manner but the issue related to delays in the approval process which resulted in the information not being sent to the requestor within the stipulated timeframe. A management response was received confirming agreement to the report and an action plan provided detailing how an automated approval process has been implemented to address this issue.

Governance

The objective of the review was focussed upon the adoption, adequacy and application of the Local Government Transparency Code and to ensure that the control system in place mitigated risks to the achievement of the Authority's objectives in this area. The review identified one issue where improvement could be made, as detailed in both the Code of Conduct (which forms part of the Constitution) and the Anti-Fraud, Corruption and Bribery Policy, whereby it is a requirement that employees must declare to their line manager any financial or non-financial personal interests that could bring about conflict with the interests of the Authority. The review identified that this requirement was not being consistently complied with. There was evidence that interests were being declared in meetings, where appropriate but that the annual returns were not being completed by employees. The declaration of interests' process is integral for promoting the transparency of the decision-making process throughout the Authority and for mitigating the risk of reputational loss.

As part of a previous review of governance it was noted that a number of policies, including those which formed part of the appraisal/performance management/appraisal framework and the Whistleblowing and Anti-Fraud and Corruption Policy, had not been reviewed on a regular basis.

As part of the latest review, these matters were followed-up and it was confirmed that they have been addressed and the policies have been reviewed and approved.

- 5.6 The issues outlined above, together with any other issues highlighted in the Annual Internal Audit Report, have been raised with relevant managers and actions have been taken to achieve improvements.

Funding Position

- 5.7 In February 2022, the Secretary of State for the Department for Levelling Up, Housing and Communities (DLUHC) confirmed the Authority's funding settlement for 2022/23 at £53.590m, which was a one-year only settlement.
- 5.8 In December 2022, the Secretary of State for DLUHC announced the provisional settlement for 2023/24 at £56.867m, resulting in a funding increase of £3.277m (6.1%). This was increased by a further £54k in the final settlement allocation in February 2023. In addition, it was indicated the Services Grant would continue to be distributed through the existing Settlement Funding Assessment formula in 2023/24 amounting to approximately £1.4M for this Authority (£2.3M in 2022/23). The Government also proposed a general Council Tax referendum threshold of 3% for Fire and Rescue Authorities. However, for one year only (2023/24), for all Fire and Rescue Authorities, there would be flexibility to increase Band D precepts by £5.
- 5.9 The Local Government Finance Settlement is a one year only Settlement for 2023/24, rather than the anticipated two-year Spending Review period. Multi-year settlements are a more effective way of managing resources, aligned to longer term planning and this uncertainty needs to be factored into the Medium Term Financial Strategy. Every 1% increase/reduction in core funding represents an increase/loss of circa £0.570m funding for the Authority.
- 5.10 In addition, there are ongoing budget uncertainties, particularly relating to Firefighter pension related issues, that have significant funding implications but at this stage still remain unclear in terms of ongoing cost and whether those costs will need to be found by Fire and Rescue Authorities and/or by Government funding. Furthermore, there are significant budget pressures affecting the Authority arising from the 'Cost of Living' crisis, particularly pay awards and inflation levels. Therefore, whilst the Government funding allocation in 2023/24 is an increase in cash terms compared to 2022/23, a high level of caution still needs to be applied to future financial years as the funding position and expenditure position remain volatile for the Fire Sector.

6. Certification

- 6.1 To the best of our knowledge, the governance arrangements, as outlined above have been effectively operating during the year with the exception of those areas identified as requiring improvement. We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified during the review of effectiveness and will monitor their implementation and operation as part of our annual review.

Greg Brackenridge
Chair
West Midlands Fire & Rescue Authority

Wayne Brown
Chief Fire Officer

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT & RISK COMMITTEE

19 JUNE 2023

1. **MONITORING POLICIES ON RAISING CONCERNS AT WORK – WHISTLE BLOWING POLICY AND REGULATION OF INVESTIGATORY POWERS ACT 2000**

Joint report of the Chief Fire Officer and the Monitoring Officer.

RECOMMENDED

- 1.1 THAT the Audit and Risk Committee notes that during the period of 1st April 2022 until 31st March 2023 there were 3 reports submitted through the confidential reporting line which would constitute whistle blowing allegations, these 3 reports relate to one department.
- 1.2 During the reporting period from 1st April 2022 – 31st March 2023 there have been no requests to enact the Regulation of Investigatory Powers Act 2000 in West Midlands Fire Service.

2. **PURPOSE OF REPORT**

- 2.1 From 1st April 2022–31st March 2023 there have been 3 reports, which meet the criteria for whistleblowing. These have been received through the confidential reporting line and are all linked. On receipt of the reports a review was commissioned in February 2023 for an independent organisation to look into matters. This review has concluded in May 2023 and a report was produced with a number of recommendations, which are being considered by People Support Services.
- 2.2 This report is submitted to inform the Committee of the monitoring of the referrals under the Whistle Blowing policy (attached as Appendix 1) and the use of the Regulation of Investigatory Powers Act under the Management of Information policy, Appendix 5, (attached as Appendix 2).

3. **BACKGROUND**

Whistle Blowing

- 3.1 The current Whistle Blowing policy was reviewed, was fully consulted on with all relevant parties and was published in 2022. It is available to all employees through MESH.
- 3.2 In relation to Whistle Blowing, in May 1996 the Committee on Standards in Public Life stated that “All organisations face the risk of things going wrong or of unknowingly harbouring malpractice. Encouraging a culture of openness within an organisation will help: prevention is better than cure.”
- 3.3 The Public Interest Disclosure Act 1998 sets out a framework for public interest whistle blowing which protects workers from reprisal because they have raised concern about malpractice. Only a disclosure that relates to one of the broad categories of malpractice can qualify for protection under the Act. These include concerns about apparent or perceived whistleblowing allegations.
- 3.4 In addition to employees, the Act covers, for example, workers, contractors, trainees and agency staff. This list is not exhaustive.
- 3.5 To be protected, the person blowing the whistle must believe that their disclosure is “in the public interest”, i.e., disclosure is made in the reasonable belief that there is an issue such as wrongdoing in public office or something that presents a risk to the public that warrants disclosure.
- 3.6 The Committee should note that there have been 3 reports submitted through the confidential reporting line that would constitute whistle blowing concerns raised by employees over the last twelve months up to 31 March 2023.

3.7 **Data Protection**

Data Protection Framework sits as Appendix 1 within the Management of Information policy (attached as Appendix 3).

3.8 **Regulation of Investigatory Powers**

The Regulation of Investigatory Powers Act 2000 (RIPA) provides a framework for control and supervision of investigatory powers exercised by public bodies, including local authorities, in order to

balance the need to protect privacy of individuals with the need to protect others, particularly in light of the Human Rights Act 1998.

- 3.9 The Committee should note that the Service has not approved any surveillance under RIPA legislation in the last twelve months up to 31 March 2023.
- 3.10 The West Midlands Fire Service will continue to raise awareness through training on the Whistle Blowing Policy, Management of Information and RIPA to all of our partners.

4. **EQUALITY IMPACT ASSESSMENT**

- 4.1 In preparing this report an Equality Impact Assessment is not required, due to the fact that all our policies have Equality Impact Assessments carried out when updating and amending.

5. **LEGAL IMPLICATIONS**

- 5.1 Whistleblowing (detriment): if an individual has lawfully ‘blown the whistle’ and suffers detriment or is victimised as a consequence, he or she may make an Employment Tribunal claim of PIDA detriment against the Authority.
- 5.2 Data Protection: depending on the level and or seriousness of a breach of the Data Protection Act 2018 (GDPR), there are various levels of prosecution ranging from enforcement notices, financial penalties and in extreme cases custodial sentences.
- 5.3 RIPA: if surveillance operations are not carried out in accordance with the safeguards as laid down in RIPA, the evidence obtained may not be admissible in legal proceedings and the Service may be subject of a claim on infringing the human rights of the person under surveillance.

6. **FINANCIAL IMPLICATIONS**

- 6.1 Monetary Penalty notices: fines of up to £500,000 under the Data Protection Act 2018 but rising to 4% of turnover or income circa €20m for serious breaches.

7. **ENVIRONMENTAL IMPLICATIONS**

- 7.1 There are no environmental implications arising from this report.

BACKGROUND PAPERS

The Public Interest Disclosure Act 1998 (PIDA)

The contact officer for this report is Kelly Harding, Head of People Support Services, Kelly.Harding@wmfs.net

WAYNE BROWN
CHIEF FIRE OFFICER

SATINDER SAHOTA
MONITORING OFFICER TO THE
AUTHORITY

Whistleblowing Policy

1

STRATEGY

Following the Public Interest Disclosure Act (PIDA), which came into force in July 1999 (updated on 1st May 2013 GOV.UK), legal protection is now provided to employees who raise concerns about suspected dangerous or illegal activity that they are aware of through their work. The common term for voicing such concerns is 'whistle blowing'. West Midlands Fire Service (WMFS) wishes to create an open and honest culture with its statutory obligations, detailed in the Act, and ethical standards, detailed in its Core Values. Details on our core values can be found in the Equality & Diversity Policy.

[The Public Interest Disclosure Act - GOV.UK](#)

[Equality & Diversity Policy](#)

2

PURPOSE

The Public Interest Disclosure Act 1998 makes sure that employees, contractors providing services, most agency workers, home workers and trainees on vocational and work experience schemes are legally protected in raising concerns responsibly. External contractors may encounter wrongdoing that affects WMFS. Therefore, this whistle blowing policy is also open to employees of our contractors.

Whistle blowing is when an employee reports suspected wrongdoing at work.

Officially this is called 'making a disclosure in the public interest'.

The public interest disclosure Act Gov.Uk

<https://www.gov.uk/government/publications/the-public-interest-disclosure-act/the-public-interest-disclosure-act>

3

RESPONSIBILITY

You're a whistle blower if you're a worker and you report certain types of wrongdoing. This will usually be something you have seen at work – though not always.

The wrongdoing you disclose must be in the public interest. This means it must affect others, e.g. the general public.

As a whistle blower you're protected by law - you shouldn't be treated unfairly or lose your job because you 'blow the whistle'.

You can raise your concern at any time about an incident that happened in the past,

is happening now, or you believe will happen in the near future.

Employees are often the first to realise that there may be something seriously wrong with the organisation that employs them. They may be able to alert the organisation early on to things like fraud, negligence, bribery and health and safety risks.

However, they may not express their concerns, because they feel that speaking up would be disloyal to their colleagues or to the organisation. They may also fear harassment or victimisation. In these circumstances they may feel it easier to ignore the concern rather than report what may be no more than a suspicion of malpractice. The procedures in this order give ways for individuals to raise concerns and receive feedback on any action taken. It makes sure that individuals receive a response and know how to pursue concerns if they are not happy with the response. It gives reassurance that individuals will be protected from possible reprisals or victimisation if they believe they have made a disclosure.

Who is protected by law

You're protected if you're a worker, for example you're:

- an employee, such as a police officer, NHS employee, office worker, factory worker
- a trainee, such as a student nurse
- an agency worker
- a member of a [Limited Liability Partnership](#) (LLP)

Complaints that count as whistleblowing

You're protected by law if you report any of the following:

- a criminal offence, eg fraud
- someone's health and safety is in danger
- risk or actual damage to the environment
- a miscarriage of justice
- the company is breaking the law, eg doesn't have the right insurance
- you believe someone is covering up wrongdoing

Complaints that don't count as whistle blowing

- Personal grievances (i.e., bullying, harassment, discrimination) aren't covered by whistleblowing law, unless your particular case is in the public interest. Report these under our Grievance Policy.

[Policy | Grievance Procedure](#)

Who to tell and what to expect

You can tell your line manager or Service, this policy will tell you what to expect if you report your concern to them.

There are other options if you do not want to report your concern to the Service, for example you can [get legal advice](#) from a lawyer, or tell a [prescribed person or body](#).

If you tell a prescribed person or body, it must be one that deals with the issue you're raising, for example a disclosure about wrongdoing in a care home can be made to the Care Quality Commission.

Management responsibilities:

The action taken by the Service will depend on the nature of the concern. The matters raised may be investigated internally by an appropriately experienced officer knowledgeable in the area concerned, for example, audit, Line Manager or HR Practitioner.

Alternatively, through the disciplinary process, the matter may be referred to the police, the external auditor or may be the subject of an independent enquiry. In order to protect individuals and the Service, and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Concerns or allegations that fall within the scope of specific procedures, for example, unfair discrimination issues, will normally be referred for consideration under those procedures. Some concerns may be resolved by agreed action without the need for investigation. Members of the SET can seek guidance from the Strategic Enabler - People at any stage in the investigation.

Within 10 working days of a concern being raised, the individual with whom the concern was raised will write to the complainant:

- acknowledging that the concern has been received;
- indicating how the matter is to be dealt with;
- giving an estimate of how long it will take to provide a final response;
- telling the complainant whether any initial enquiries have been made;
- supplying the complainant with information on staff support mechanisms; and
- telling the complainant whether further investigations will take place and if not why not.
- The amount of contact between the officer(s) considering the issues will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from the complainant in a discreet manner.

When any meeting is arranged, the complainant will have the right to be accompanied by a representative body or a work colleague. The meeting can be held off site if requested.

West Midlands Fire Service will take steps to minimise any difficulties, which may be experienced as a result of raising a concern and provide any appropriate support. For instance, if required to give evidence in disciplinary or criminal proceedings, the Service will advise the complainant of the procedure and give reasonable support. Subject to legal constraints, complainant will receive information about the outcomes of investigations.

Upon completion of the investigation, all documents will be forwarded to the Strategic Enabler People.

Responsible Officer:

The Strategic Enabler - People has overall responsibility for the maintenance and operation of this policy. This officer maintains a record of concerns raised and the outcomes (but in a form which does not endanger the complainant's confidentiality) and will report as necessary to the Service and Fire Authority.

4

PROCEDURES

4.1 How to raise a concern

If the matter relates to any fraudulent or corrupt activity, concerns should be raised in accordance with procedures detailed in the Anti-Fraud Corruption and Bribery Policy. If the complainant wishes to raise or discuss any issues which might fall into the above category then the complainant should contact a member of Strategic Enabling

Team (SET), the Treasurer or the Clerk to the Fire Authority, who will be required by WMFS to treat the matter in confidence.

Where possible, the complainant should raise their complaint in writing setting out the background and history of the concern giving names, dates and places where possible and the reason why the complainant is particularly concerned about the situation. If the complainant does not feel able to put the concern in writing, then the complainant can discuss the concerns verbally with a member of the SET, or the Treasurer/ 151 Officer or the Clerk to the Fire Authority.

The earlier that the complainant can express the concern and the more detail that can be provided, the easier it will be for the Service to take appropriate and necessary action. Remember:

- the complainant must disclose the information
- the complainant must believe it to be substantially true
- the complainant must not act maliciously or make false allegations
- the complainant must not seek any personal gain

At this stage the complainant will not be expected to prove the allegation, but will need to demonstrate to the person contacted that there are sufficient grounds for reasonable suspicion or concern.

The complainant may invite a member of the trade union representative body or a work colleague to be present during any meetings or interviews in connection with the concerns raised.

Where a concern relates to a Brigade Manager or SET Manager, then either the Strategic Enabler People (as Responsible Officer), or Deputy Chief Fire Officer or Chief Fire Officer, as appropriate, should be contacted in the first instance. Satinder Sahota as the Monitoring Officer role for the Fire Authority. The Monitoring Officer Satinder Sahota may be contacted via email.

Policy, Anti-Fraud, corruption and bribery

<https://wmfs.sharepoint.com/sites/Policy/SitePages/AntiFraudCorruptionandBribery.aspx>

Satinder Sahota

Contingent Worker

The Treasurer to the Fire Authority may be contacted on 0121 380 6919. The Clerk to the Fire Authority may be contacted on 0121 380 6678. Address for the Treasurer and the Clerk to the Fire Authority is: West Midlands Fire Service, 99 Vauxhall Road, Birmingham, B7 4HW.

4.2 Confidentiality

You can tell the Service or a prescribed person anonymously but they may not be able to take the claim further if you have not provided all the information they need. You can give your name but request confidentiality - the person or body you tell should make every effort to protect your identity. If you report your concern to the media, in most cases you'll lose your whistleblowing law rights.

All concerns will be treated in confidence and every effort will be made not to reveal the identity of the complainant. However, it is likely that further investigation will be necessary and the complainant maybe required to attend a disciplinary or investigative hearing as a witness at the appropriate time. An employee raises a concern confidentially if they give their name only on condition that it is not revealed without their consent. A concern is raised anonymously if the employee does not give their name.

4.3 Harassment or Victimisation

West Midlands Fire Service recognises that the decision to report a concern can be

a difficult one to make, not least because of the fear of reprisal from those responsible for the alleged malpractice. The Service will not tolerate harassment or victimisation and will take action to protect the complainant when a concern is raised.

4.4 Untrue Allegations

If the complainant makes an allegation, but it is not confirmed by the investigation, no action will be taken against the complainant. If however the complainant makes an allegation which, upon full investigation, is found to have been malicious or vexatious, disciplinary action will be considered and the protection of the PIDA will be lost.

4.5 Anonymous Allegations

This policy encourages the complainant to put their name to the concerns. Concerns expressed anonymously are much less powerful but will be considered at the discretion of the Strategic Enabler - People.

In exercising this discretion, the factors to be taken into account would include the:

- seriousness of the issues raised;
- credibility of the concern; and
- likelihood of confirming the allegation from attributable sources and information provided.

4.6 How the matter can be taken further

This policy is intended to provide the complainant with an avenue to raise concerns within the Service. We hope the complainant will be satisfied with the response. If not, the complainant must indicate this to the Strategic Enabler - People or the Treasurer or Clerk or Monitoring Officer to the Fire Authority.

Legal advice may be sought on any concerns about malpractice. If the employee feels it is right to take the matter outside the Service, the following are possible contacts:

- The complainant's recognised trade union
- Citizens Advice Bureau
- A solicitor
- The Police
- Relevant professional bodies or regulatory organisations, such as Ombudsmen.
- Public Concern at Work (www.pcaw.co.uk) is a charity that offers free advice to people concerned about danger or malpractice in the workplace, but who are unsure whether, or how, to raise the matter.

[Protect - Speak up stop harm | The Whistleblowing Charity](#)

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Audit	
Responsible SET Member Accountable	Human Resources
Authorised by	Shirley Haines
Direct enquiries to	Policyofficers@wmfs.net
EIA (Date Completed & Name)	Complete TBC
PIA (Date Completed & Name)	Complete TBC

Review History		
Version #	Date	Reviewed By
1.0	1/7/2018	Business Partner, PSS
2.0	4/7/2022	Kamla Devi-Ahir, Business Partner, PSS

Amendment History					
Version #	Date	Amended By	Section Amended	Amendment	Reason for change
2.0	1/2/2022	Kamla Devi-Ahir, Business Partner, PSS	Whole Policy	<ul style="list-style-type: none"> • Made a slight change to the role of a Whistle blower which is in line with www.Gov.Uk • Added, who is protected by law, in line with www.gov.uk • Added, who to tell and what to expect, in line with www.gov.uk • Added, further information around confidentiality 	In line with the policy review cycle

				in line with www.gov.uk • The policy reflects current legislation	

APPENDIX 5 - THE REGULATION OF INVESTIGATORY POWERS ACT (RIPA)

The processing of data for the purposes of carrying out of 'directed' and intrusive covert surveillance; the use of covert human intelligence sources; the interception of communications; and the acquisition and disclosure of communications data is covered under the Regulation of Investigatory Powers Act 2000 (RIPA).

The Regulation of Investigatory Powers Act 2000 (RIPA) provides a framework for control and supervision of investigatory powers exercised by public bodies, including local authorities, in order to balance the need to protect privacy of individuals with the need to protect others, particularly considering the Human Rights Act 1998. RIPA provides a statutory basis for the authorisation and use by the security and intelligence agencies, law enforcement and other public authorities, of covert surveillance, agents, informants, and undercover officers. It regulates the use of these techniques and safeguards the public from unnecessary invasions of their privacy.

RIPA covers the carrying out of 'directed' and intrusive covert surveillance; the use of covert human intelligence sources; the interception of communications; and the acquisition and disclosure of communications data. RIPA also provides for the appointment of independent Surveillance Commissioners who will oversee the exercise by public authorities of their Powers and duties.

Of conceivable relevance to the work of the Service are the provisions of Part II of RIPA that cover the use and authorisation of 'directed' surveillance (section 28) and covert human intelligence sources (section 29) by public authorities. Part II of RIPA provides for a new authorisation mechanism which authorities undertaking covert surveillance must use.

It may occasionally be necessary for officers to use covert surveillance techniques for the following reasons related to the core activities of the organisation:

- audit investigation.
- community safety.
- health and safety compliance.
- environmental protection and pollution control.
- potentially fraudulent activities.

This list is not necessarily exhaustive.

This policy addresses solely issues having relevance to the activities of the Service and how the authorisation mechanisms required by the Act will be administered.

In addition, the investigatory powers will be exercised by the Service in compliance with the Codes of Practice contained in: -

- the Regulation of Investigatory Powers (Covert Human Intelligence Sources: Code of Practice) Order 2002 (SI 2002/1932).
- the Regulation of Investigatory Powers (Covert Surveillance: Code of Practice) Order 2002 (SI 2002/1933); and

- the Regulation of Investigatory Powers (Communications Data) Order 2003: Home Office Draft Code of Practice entitled 'Accessing Communications Data'.

Covert 'directed' surveillance is covered by RIPA

Surveillance is 'directed' when it is undertaken in relation to a specific investigation or a specific operation which is likely to result in the obtaining of private information about a person.

Surveillance is covert where it is carried out in a manner calculated to ensure that the person or persons subject to the surveillance are unaware that it is or may be taking place.

Such forms of surveillance involve observing an individual or group of people whether through unaided observation or listening or using technical devices and when information regarding their private or family lives is likely to be obtained.

The meaning of 'communications Data' within the Act

Communications data is information held by communications service providers relating to communications made by their customers. This includes itemised call records, routing information and subscriber details. Communications data does not include the actual content of any communications.

The Service in acquiring this data must ensure that it is required either (1) in the interests of public safety, or (2) in preventing or detecting crime. Additionally, this information must be proportionate to what is sought to be achieved. In practical terms, this would cover such things as: -

during a fire investigation, obtaining contact details in order to speak to whoever reported the fire to help piece together the sequence of events; or

to investigate hoax or malicious calls.

It should be noted that the Act has no impact on the existing protocols relating to requests for data when responding to an emergency (999/112) call where the caller has cleared the line before giving adequate details about the location at which an attendance is required. These requests will continue to be dealt with under the Data Protection Act and in accordance with the procedures set out in the 'Code of Practice for the Public Emergency Call Services between Public Network Operators and the Emergency Services'.

Authorisation - CHIS and 'directed' surveillance

The Service will apply a procedure for the proper authorisation and recording of its activities and for the use of CHIS in accordance with the Act.

The Service shall ensure that officers with responsibility for authorising the acquisition of communications data or carrying out surveillance and the use of CHIS shall be made aware of their obligations to comply with the Act and with this policy. Furthermore, officers shall receive appropriate training or be appropriately supervised in order to carry out functions under the Act. All officers with responsibilities under the Act will be familiar with the Codes of Practice referred to above, so far as they relate to their responsibilities.

To ensure that these powers are used appropriately, authority for authorisation for surveillance or CHIS will be obtained from officers of the rank of Area Commander during office hours and outside hours from the Duty Principal Officer prior to commencement. Forms of Authorisation can be obtained from the Data and Governance Manager.

Review of authorisations and policy - CHIS and 'directed' surveillance

The Service will ensure that authorisations for surveillance or CHIS, once granted, are reviewed monthly and are renewed or cancelled as appropriate.

This policy and accompanying procedure shall be reviewed from time to time considering changes in legislation, case law, or for the better performance of the procedure.

To provide an independent overview of Service activity, a half-yearly report will be provided to the Fire Authority by the Monitoring Officer. The information that will be given to the Fire Authority will be based on usage numbers only.

Procedure for surveillance - CHIS and 'directed' surveillance

When a member of the Service believes that it is necessary for surveillance ('directed' or CHIS) to be undertaken to enable the gathering of information, they should, in the first instance, discuss their request confidentially with the Data and Governance Manager. An Area Commander (referred to as the Authorising Officer), or the Duty Principal Officer (also Area Commander level) will then authorise the request for surveillance to be undertaken.

Assuming that outline agreement is reached, then the officer initiating the request must complete and forward the form RIPA 1 'Application for the authorisation of 'directed' surveillance or RIPA 5 'Application for the authorisation of covert human intelligence source (CHIS)' to the Authorising Officer under private and confidential cover.

On receipt, the Authorising Officer will ensure that the application is provided with a reference number obtained from the Data and Governance Manager and that the details are recorded in the Service's RIPA database held by Data Management for entry onto the appropriate register file.

Authorisations must only be granted for one month and then reviewed.

The Authorising Officer will discuss the position with the officer making the original request, forwarding the appropriate forms for completion and return before the renewal date arrives.

Details of the completed forms and renewal date will be entered onto the Service's RIPA database by the Data Management team.

Renewal of authorisations must only be granted twice.

Surveillance can only be undertaken for a maximum of three months. If any further extensions of time are considered necessary, then the case must be discussed in detail with the Data and Governance Manager and the Strategic Enabler for People Support.

DATA PROTECTION ACT 2018

1. Procedures

West Midlands Fire Service fully endorse and adhere to the principles of the Data Protection Act 2018 which incorporates the European Union General Data Protection Regulations (EU GDPR).

The Service regards the lawful and correct treatment of personal information as very important to successful service delivery and to maintain confidence between service users, employees including temporary staff, volunteers and those communities we serve. The Service is committed to respecting all rights of those individuals whose personal data it processes and will ensure personal information will be treated lawfully and correctly in accordance with the legislation. It will adopt best practice as designated by the Information Commissioner's Office where possible.

The Information Commissioner's Office is the data protection regulator and supervisory body for the United Kingdom. Its responsibility is to publish guidance and enforce compliance with the Data Protection Act 2018, Freedom of Information Act 2000, Environmental Information Regulations 2004 and the Privacy and Electronic Communications Regulations 2003.

The Service has defined a number of distinctive roles to manage data protection.

Role Title	Position in the Organisation
Data Protection Officer	Data and Governance Manager
Information Asset Owner (IAO)	SET member from each function responsible for data management within their respective function. Also to be the liaison point for the Data Protection Officer.
Data User	All those that handle data. All individuals have a responsibility to protect the data they use.

Each employee or potential data user will be given such information, instructions and training as is necessary in order to ensure that they are aware of their contractual responsibilities in relation to personal data and so that they are aware that they can, in some cases, be held personally responsible if any personal data is improperly disclosed, destroyed or obtained.

The Data Protection Officer has responsibility to co-ordinate the Service's response to the Data Protection Act 2018 and the Freedom of Information Act 2000, to ensure that the provisions of the legislation are met.

The IAO will have overall responsibility for the personal data kept within their particular department to ensure that such data is maintained in accordance with the principles of the Data Protection Act 2018. This does not absolve Data Users from their responsibility of ensuring that personal data is maintained in accordance with these principles.

1.1 Scope of personal data

Definition of Personal data or information

Is any information held electronically (including all emails) or manually – which relates to a **living** individual who can be identified:

- From the information
- From the information combined with other information which is in the possession of the Service or is likely to come in to the possession of the Service

- Includes any intentions or opinions the Service may have towards the individual

Special Category data

The Data Protection Act 2018 defines special category personal information as information related to:

- Racial or ethnic origin
- Political opinions
- Religious or other similar beliefs
- Membership of trade unions
- Physical or mental health or condition
- Sexual life
- Convictions, proceedings and criminal acts
- Genetics and biometrics

1.2 Employee Personal records

All information held on a Personal Record File (PRF) will be maintained with a high level of confidentiality and only disclosed to those individuals who reasonably require it as part of their duties.

Files that are maintained locally or within the Occupational Health Unit will comply with the same level of confidentiality.

Information held on a Personal Record File will not be kept for longer than is absolutely necessary and documents will be removed and destroyed in a timely manner following the period agreed below.

1.2.1 Computerised Personal Record File

It is the policy of West Midlands Fire Service that one primary Personal Record File will be maintained for each employee. The information in this file will relate to the individual only and will be maintained by People Support Services (PSS) and the employee in accordance with the Data Protection Act 2018.

Section 3.14.2 details the information that can be held in the Computerised Personal Record File.

1.2.2 Local Personal Record File

It is acknowledged that in order to manage locally, certain items of personal information must be retained locally on station or within sections; these include performance, attendance management, training information and Permits to Work. These files must be maintained in accordance with the Data Protection Act 2018.

A Personal Record File can be maintained at the location of the individual but must only contain the items of information as listed in Section 4.2

These files should be sent back to PSS when the employee ceases employment. If an employee moves temporarily for more than 4 weeks or permanently to another location the file should be forwarded to the other locations clearly marked confidential and addressed to the new line manager. Any movement of files must be conducted under confidential cover in sealed envelopes, with the delivery and receipt recorded.

All information must be kept securely and in confidence.

1.3 Employee Access

1.3.1 Personal record file

All employees under the terms of the Data Protection Act 2018 are entitled to know what personal information the organisation holds about them and how it is being processed..

Every employee has the ability to view and print their electronic personal information file. If inaccurate information is found on the system and the employee does not have the access to amend it, details should be forwarded to the PSS who will make the amendments on their behalf.

Requests to access personal information (including personal record files and occupational health files) that the organisation might hold should be made to the Data Protection Officer at Fire Service Headquarters. If the information contains data about any third parties then the information will be released if it is reasonable to do so in line with the legislation, redacted i.e. personal data removed or a summary of the information provided. The Data Protection Act 2018/1998 gives employees an entitlement to information and not documents.

- If the employee wishes a third party to have access to their information, for example, a legal or trade union representative, this must be included in the request. Representatives will not be given access to an individual's personal file independently without the explicit written consent of the employee concerned.
- If line managers wish to access employees' Personal Record File, the procedure described above must be followed where a reason must be provided for needing to view the file.

1.4 Requests for information

Requests for information in whatever form, for example, paper records, computer records, tapes, and so on, should be forwarded through to the Data Protection Officer.

If a request for information is received in a department, section or on a station it must be date stamped and forwarded immediately for the attention of the Data Protection Officer, Data Management Section, marked 'Confidential - Data Protection Request'. If possible, the request should be sent by e-mail.

The Data Protection Officer will be responsible for recording the request, obtaining the information from the relevant department, charging any appropriate fees and ensuring that the request is answered within the timescale. The timescale for response to requests for information is 30 days.

Requests for the disclosure of personal data related to the 'Transfer of Undertakings (Protection of Employment) Regulations' (TUPE) 2006 are the responsibility of PSS department. These need to be in line with TUPE and Data Protection Act 2018 requirements.

The Data Protection Officer will liaise with the department or station concerned for assistance in providing the information requested. It is imperative that information is provided in a timely manner to ensure that the specified timescales are met.

Requests are sometimes received either in writing or via telephone from third parties to release personal information about employees, in all cases written permission of the individual must be given before this information is released, exception to this will be in certain circumstances where requests are made by statutory bodies for information.

1.4.1 Requests for incident information

The Service receives enquiries from solicitors, loss adjusters, insurance companies and other interested parties for details of fires and other Fire Service activities. The intentions of the enquirer are often unknown or liable to change at a later date.

The Service is not entitled to release information about a data subject to any third party without the data subject's consent; there are a few exceptions, for example, data requested by the police to assist them with criminal investigations. Fire Service reports, in particular the Incident Recording System (IRS) Fire Report, contain information about persons involved in incidents and are therefore not to be released by fire stations.

All such requests must be submitted in writing by the party wishing to obtain the information. This is to be forwarded to the Central Administration team at e-mail address InformationDisclosure@wmfs.net. A fee will usually be charged for this information.

1.4.2 Requests for the release of information for legal proceedings

When the Fire Service is involved in legal proceedings, the Civil Procedure Rules require that all relevant documents shall be disclosed to the other parties involved. This includes all documents

which are, **or have been** in the possession, custody or power of the relevant party and which relate to any matter in question between the parties.

A request for such documentation will usually be made by the PSS Section to the relevant section, department or station. This request includes **all** relevant documents, including original or rough notes, and whether they are supportive or potentially damaging, so a thorough search must be made.

In general terms, it is likely that all available documentation is disclosable and therefore, personnel should forward all documents, which will be considered by the Service's advisors before disclosure.

If original documents are forwarded, copies should be taken and preserved by the forwarding party. Where copies of documents are forwarded, care must be taken to ensure the best possible quality copy is obtained.

Stringent time limits are imposed for disclosure of documentation. Hence it is vital that all documents are forwarded, as soon as possible after the request has been made.

As all relevant documentation should be disclosed, it is not possible to provide a definitive list. However, for the purposes of this order, examples include: **all** paper records, written or printed, reports – including IRS and narratives (where provided), internal and external memoranda, accounts, invoices and contracts, any information held on computer or other mode of electronic storage, for example, e-mails, CD-ROM, diagrams, plans, maps, photographs, and videos.

It should be noted that the marking of any disclosable document 'confidential' or 'personal' does not necessarily preclude disclosure in respect of legal proceedings.

The requirements of this standing order emphasise the importance of maintaining comprehensive and accurate filing systems, as the implications of non-disclosure of relevant documents are far reaching.

1.4.3 Requests and exchange of information with the police about employees

On occasions, the Service maybe contacted by police officers, who have either requested personal information about employees, or have notified the Service that employees have been arrested or involved in incidents to which the police have been called. The Fire Service is not a 'notifiable occupation' for disclosing convictions of persons for certain employers.

Therefore, the following procedure will be adopted upon receipt of such requests from the police, or where information is received about individual employees:

- Where the police request information from a station, the officer in charge should only confirm whether an individual is employed at the station
- Any requests for further information about employees should be refused and the requesting police officer referred to the duty principal command officer via Fire Control. The Service will then only release personal details where a serious crime is being investigated or where a warrant has been issued
- Information will only be released after receipt of the police force's standard disclosure form
- Employees are obliged to notify the Service if they have been charged with a criminal offence, (senior officers do not visit police stations if informed by the police that an individual has been detained or questioned whilst off duty). The Service does provide welfare support should individuals require it; this should be discussed with the Line Manager
- Personnel who are being questioned or detained by the Police and who would be unable to report for duty as a result, should request the police to contact Fire Control and inform the duty officer that they will be unable to attend for duty. The duty principal command officer will then be informed and will take appropriate action
- Requests from the police for copies of recordings from Fire Control will be managed and actioned by Fire Control. The procedure is detailed in Fire Control

1.5 Data Protection Breaches

It is important to understand if personal data is not handled correctly, there must be processes in place to contain and recover, assess the ongoing risk, notify appropriate parties of the breach and evaluate and respond to the data protection breach.

These are some examples of security incidents that may lead to the loss or compromise of personal data;

- Loss or theft of data or equipment on which data is stored;
- Inappropriate access controls allowing unauthorized use;
- Equipment failure;
- Human error;
- Unforeseen circumstances such as a fire or flood;
- Hacking attack;
- 'Blagging' offences where information is obtained by deceiving the organisation who holds it

The above are examples of events that may lead to a data protection breach but if you are unsure then please seek further advice from the Data Protection Officer.

1.5.1 Data Protection Breach Process

If you are involved in an incident as defined in the examples above or determined by the Data Protection Officer as a data protection breach, then you must:

1. Contact the ICT Service Desk on 0121 380 6666 to record the event as a data protection breach.
2. The ICT Service Desk will liaise with the Data Protection Officer to determine the course of action to manage the incident.
3. The SIRO and relevant SET members will be notified of incident via an initial report.
4. The Data Protection Officer will manage the incident to conclusion and ensure that a log of the incident and all actions taken is maintained to identify trends or areas of weakness.
5. Post incident, an investigation will be instigated, and the outcomes will be reported to the SIRO and members of SET.

Management reports on data breaches will be sent out periodically to the SIRO and SET to ensure management are aware of potential risks to the authority.

2. Principles of the Data Protection Act 2018

There are 7 key principles under the Data Protection Act 2018

2.1 Principle 1 -processing should be lawful, fair and in a transparent manner fair processing

Personal data shall be processed fairly, lawfully and transparently, in particular, shall not be processed unless one condition of Article 6 of the EU GDPR is met:

Article 6 gives the following conditions for processing personal data:

- The data subject has given their **consent** to the processing;
- The processing is necessary for the performance of a **contract** to which the data subject is party (the employment contract), or for taking steps to enter into such a contract;

- The Data Controller has to process the information in order to comply with non-contractual **legal obligations** (such as Fire Services Act 2004);
- The processing is necessary to **protect the vital interests** of the data subject;
- The processing is necessary for tasks in the **public interest or the exercise of authority vested in WMFS**
- The processing is necessary for the purposes of **legitimate interests** pursued by WMFS

In the case of special category data, this includes; race, ethnic origin, political belief, religion, trade union membership, genetics, biometrics, health, sex life or sexual orientation, processing is permitted only where Article 6 conditions for processing personal data exists **and** a further condition specified in Article 9 of GDPR is met.

Article 9 gives the following conditions for processing personal data:

- (a) the data subject has given explicit consent to the processing of those personal data for one or more specified purposes;
- (b) processing is necessary for the purposes of carrying out the obligations and exercising specific rights of the controller or of the data subject in the field of employment and social security and social protection law;
- (c) processing is necessary to protect the vital interests of the data subject or of another where the data subject is physically or legally incapable of giving consent;
- (d) processing is carried out in the course of its legitimate activities with appropriate safeguards by a foundation, association or any other not-for-profit body with a political, philosophical, religious or trade union aim;
- (e) processing relates to personal data which are manifestly made public by the data subject;
- (f) processing is necessary for the establishment, exercise or defence of legal claims or whenever courts are acting in their judicial capacity;
- (g) processing is necessary for reasons of substantial public interest;
- (h) processing is necessary for the purposes of preventive or occupational medicine, for the assessment of the working capacity of the employee, medical diagnosis, the provision of health or social care or treatment or the management of health or social care systems and services or pursuant to contract with a health professional;
- (i) processing is necessary for reasons of public interest in the area of public health, such as protecting against serious cross-border threats to health or ensuring high standards of quality and safety of health care and of medicinal products or medical devices;
- (j) processing is necessary for archiving purposes in the public interest, scientific or historical research purposes or statistical purposes;

It is difficult to envisage any activity which does not include processing and a Privacy Impact Assessment (PIA) should be completed when embarking on projects and/or activities that may involve processing personal data.

See Appendix 8

The processing of data for the purposes of carrying out of 'directed' and intrusive covert surveillance; the use of covert human intelligence sources; the interception of communications; and the acquisition and disclosure of communications data is covered under the Regulation of Investigatory Powers Act 2000 (RIPA).

See Appendix 9

2.2 [Principle 2 - Collected for specified, explicit and legitimate purposes](#)

Personal data should only be used for the purpose for which it was originally collected

2.3 [Principle 3 – Data minimisation](#)

The amount of personal data should be adequate, relevant and limited to what is necessary for the purpose it is held;

2.4 Principle 4 - Data accuracy

Personal data shall be accurate and kept up to date. Reasonable steps must be taken to ensure that any personal data that is inaccurate is erased or rectified without delay.

2.5 Principle 5 – Storage limitation

Personal data kept in a form where a data subject is identifiable shall not be kept for longer than is necessary for that purpose or purposes. Data that is out of date or no longer necessary must be properly destroyed or deleted.

2.6 Principle 6 – Technical and Organisational measures in the security and management of data

Personal data should be processed in a manner that ensures appropriate security. Technical and organisational measures shall be taken against unauthorized or unlawful processing of personal data and against accidental loss of, destruction of, or damage to personal data.

2.7 Principle 7 – Accountability

WMFS must be responsible for and be able to demonstrate compliance with the other 6 principles.

2.8 Employee Personal Information

Personal information can be obtained from a number of sources, from the employee themselves, from the circumstances of their employment for example, salary information, from their progression through the organisation or from development, training and assessment situations.

This information then allows the organisation to plan and formulate policies and strategies and, in some instances, to conform to legislative requirements. Planning, policy and strategy formulation depends on information which is effective and accurate and will enable the organisation to recruit, train and develop employees to their full potential, to be as effective as possible within the organisation and to provide good service to our community.

It is the intention of the Service to hold information electronically where possible, in preference for paper based records.

3. Personal Record File contents

3.1 Computerised Personal Record File

A computerised Personal Record File will hold the following information:

Type of information	Content	Purpose		Duration held
Employment	Original application form Employment references Qualification certificates Contract of employment (inc. relevant role profile)		Recruitment Recruitment Recruitment Emergency contacts	Minimum duration life of employment and 6 years after.

	<p>Next of kin information</p> <p>Details of promotion, and successful applications</p> <p>Transfers, successful requests and requests refused</p>		<p>Career progression</p> <p>Equality and Diversity monitoring</p>		
Attendance	<p>Sickness record, PR25, Doctor's certificates</p> <p>Exemptions granted</p> <p>Correspondence issued under the Attendance Management Policy</p> <p>Copies of injury reports</p> <p>Attendance record cards</p> <p>Maternity leave applications</p> <p>Applications for special leave</p> <p>Parental leave applications</p> <p>Paternity leave applications</p> <p>Adoption leave applications</p> <p>PR12 Injury Report Forms</p>	<p>Sickness payments</p> <p>Management of attendance</p> <p>Maternity payments</p> <p>Management of attendance and appropriate payments</p> <p>Accident information</p>		<p>Minimum duration life of employment and 6 years after.</p>	
Training	<p>Training courses nominations and results of attendance</p> <p>Examination results</p> <p>Application for post entry training</p>	<p>Job competency and development</p> <p>Development</p> <p>Requirement of post entry training funding</p>		<p>Minimum duration life of employment and 6 years after.</p>	

	Qualification certificates	Development			
Performance	Assessments/ advice/monitoring of performance IPDR form	Management of performance Personal development and review	Minimum duration life of employment and 6 years after		
Awards/ Achievements		Letters of thanks Achievements Letters of commendation	Personal achievement	Minimum duration life of employment and 6 years after	
Discipline	Records of any disciplinary action taken, and associated papers where necessary	Management of discipline	Minimum duration life of employment and 6 years after		
General Correspondence	General correspondence that does not fall within any of the categories above.	For example 'Request for reference'	Minimum duration life of employment and 6 years after		

3.2 Local Personal Record File

A Personal Record File maintained at the location of the individual must only contain the following items of information:

Section	Content	Purpose	Duration held
Training records	Permit to work	Job competency and development	Duration of employment
Performance	Assessments or warnings on performance IPDR	Management of Performance Personal development and review	Until end of warning of monitoring or improvement (then sent to PSS for PRF held for duration of employment) Duration of employment

Attendance Management Information	Absence data	Monitoring	Duration of employment?
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4. Data Subject Rights

Data subjects have the right to be informed about the collection and use of their personal data. Data subjects can be employees (including temporary and volunteers), partners and those communities we serve,

The rights that are applicable to all data subjects under DPA are as follows:

- Right to be informed that processing is being undertaken

This is achieved by issuing privacy notices at the point of collecting personal data

- Right to access personal data (requests)

There are processes in place to ensure requests are responded to promptly.

- Right to rectify, block or erase data

This is a limited right as some personal data has to be maintained in line with other legislation e.g. pension regulations so may not be erased on request

- Right to restrict processing of the data

This is a limited right as some personal data has to be processed in line with other legislation e.g. payment of council tax so cannot be restricted for this purpose

- Right to object to processing

This is a limited right as some personal data has to be processed in line with other legislation e.g. financial regulations to calculate taxation so objection cannot be acted upon in some instances

- Rights in relation to automated decision making including profiling

Processes have been identified within the organization and mechanisms put in place to verify the results and provide a simple explanation for the rationale behind the decision:

- Right to data portability

This gives individuals the right to receive personal data they have provided to a controller in a structured, commonly used and machine readable format. It also gives them the right to request that a controller transmits this data directly to another controller. This is applicable in situations such as entering into a contract such as changing banking providers but is not applicable to processing paper files;

- Right to claim compensation for certain breaches of the Act

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT AND RISK COMMITTEE

19 JUNE 2023

1. **PENSION BOARD UPDATE**

Report of the Clerk to the Authority

RECOMMENDED

- 1.1. THAT Members note the progress on key actions included within the Pension Board Action Plan (included in **Appendix A**), which includes the specific Actions agreed with The Pension Regulator for completion by June 2023.
- 1.2. THAT Members agree the proposed updates to the Pension Board Terms of Reference as outlined in **Appendix B**.
- 1.3. THAT Members note the Minutes of the last Pension Board included in **Appendix C**.

2. **PURPOSE OF REPORT**

- 2.1. To provide information on the work of the Pension Board to the Audit and Risk Committee in its capacity as the Scheme Manager for the West Midlands Firefighters' Pension Scheme.
- 2.2. To gain Audit and Risk Committee approval for changes to the Pension Board Terms of Reference.

3. **BACKGROUND**

Pension Board Action Plan

- 3.1. The latest version of the Pension Board Action Plan can be found in **Appendix A**. Progress has been made in a number of areas, although some matters have been deferred from March 2023 to

the next meeting of the Pension Board in July, or to later in the summer.

- 3.2. Officers and members will be meeting with the Pension Regulator in late June to deliver a final progress report on the actions relating to their 2020/21 report.

Pension Board Terms of Reference

- 3.3. Following the decision of the Scheme Manager to remove the role of Independent Chair, the Pension Board have reviewed their Terms of Reference and updated to reflect these changes and other minor amends. This is submitted for Scheme Manager approval.
- 3.4. Scheme Member Representatives to the Pension Board wish to raise their concerns about the removal of the Independent Chair role, which they believe is important for the effective delivery of the work of the Pension Board.

Risk Register

- 3.5. The latest version of the Pension Board Risk Register (last reported to the Audit and Risk Committee in March 2023) will be reviewed and agreed at the July 2023 Pension Board meeting and subsequently reported to the Scheme Manager.

4. EQUALITY IMPACT ASSESSMENT

- 4.1. As this is an update report, no initial Equality Impact Assessment has been undertaken.

5. LEGAL IMPLICATIONS

- 5.1. The Pension Regulator has various enforcement powers under pensions legislation which they may utilise if a scheme breaches its legal duties or ensure compliance with its recommendations which are designed to ensure appropriate administration and governance of schemes.

6. **FINANCIAL IMPLICATIONS**

6.1. There are no financial implications associated with this update report.

7. **ENVIRONMENTAL IMPLICATIONS**

7.1. There are no environmental implications associated with this update report.

8. **BACKGROUND PAPERS**

- [The Pension Regulator – About](#)

The contact for this report is Tom Embury, Deputy Clerk to the Authority.

Karen Gowreesunker
CLERK TO THE AUTHORITY

Appendix A – Pension Board Action Plan

WMFPS Pension Board – Action Plan

Completed	Recently Updated	Missed completion date
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Ref	Date	Subject	Action	Responsible	Completion date / Suggested timeframe	Status [Ongoing / Completed]
Actions arising from The Pensions Regulator Supervisory Report 2020/21 on the West Midlands Firefighter Pension Scheme						
A1	11/11	Skills and Training	Pension Board (PB) and Scheme Manager (SM) to undertake Training Needs Analysis to set a baseline for development of future training plans. Previous templates exist that can be used.	Pension Board Chair and Scheme Manager	Undertaken by March 2023	TNAs completed as of May 2023
A2	11/11	Pension Board Training and skills	PB to formalise their training plan, to be reviewed at least yearly, which will cover emerging themes, such as cyber security. This will be published on a joint Pension Board filing system/Teams site (see Recommendation D1) to ensure all PB member can review as required and bring forward suggestions for training and development.	Pension Board Chair	Implemented by end March 2023 Implemented by July 2023	Training delivered to both PB and SM. Training Plan to be agreed at July Pension Board
B1	11/11	Pension Board Succession	Clerk and PSS to develop a succession plan for both Scheme Member and Employer representatives, including undertaking a revision of role descriptions. This will include a proposal for hand-over between departing representatives and their replacements.	Clerk and PSS supported by Pension Board	Implemented by March 2023	Ongoing
B2	11/11	Pension Board Succession	PB and SM to review Terms of Reference with regards to representative tenures to ensure these are staggered and	Pension Board Chair and Scheme Manager	Implemented by February 2023	Revised Terms of Reference drafted - to be agreed by

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			include a suitable handover period.		Implemented by July 2023	Scheme Manager at July meeting
C	11/11	Pension Board Composition	Review appointment/election communications for Pension Board representatives to ensure they encourage diversity amongst the Pension Board membership and encourage the widest possible number and range of candidates to apply. TPR Equality, Diversity and Inclusion guidance to be utilised.	PSS/Pension Board/Portfolio Team	Implemented by January 2023	Completed – Election communications sent
D1	11/11	Pension Board Information Sharing	Review communications to Pensions Board and Scheme manager and ensure updates are provided when required.	Portfolio and Pensions Administration Teams	Implemented by March 2023	Complete
D2	11/11	Pension Board Information Sharing	Pension Board members to review information sharing arrangements and PB representatives' views on information sharing, knowledge and skills, with input from Scheme Manager.	Pension Board and Scheme Manager		Completed
E1	11/11	Business Continuity Planning	Pensions Board to receive a report on current BCP arrangements and testing and review their effectiveness with a view to making recommendations to Scheme Manager on whether a bespoke BCP outside existing WMFS arrangements is necessary.	Pensions Board Chair and Pensions Manager	To be approved in July 2023 .	Ongoing –Draft Pension Board BCP developed. Will be approved in July 2023 after being deferred at March PB (see item 7 below)
E2	11/11	Business Continuity Planning	Pension Administration Team to develop and share with the Scheme Manager and Pension Board a set of procedural notes for key pensions administration tasks. Content may be impacted by implementation of remedy.	Pensions Administration Team	Update to March 2023 Audit and Risk Committee Meeting – subject to Remedy roll out.	Ongoing

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F	11/11	Information Sharing between SM, PB and Pension Administration Team	Written (rather than verbal) reports to be provided by the Pension Team on key issues to both the Pension Board and Scheme Manager as a standing item for all meetings.	Pensions Administration Team	To begin from March 2023 Audit and Risk Committee	Completed
G	11/11	Conflicts of Interest	Conflict of Interest Register, based on the TPR template, to be created and stored on system where all PB members have access. Will be a standing item for all PB meetings. This document to be shared with The Pension Regulator.	Portfolio Team and Pensions Board	To begin from implementation of new system as of February 2023	Completed
H1	11/11	Risk Management	<p>PB Risk Register Sub Group to consider TPR recommended changes or improvement in formatting of the Risk Register:</p> <ul style="list-style-type: none"> • utilising a cover sheet to provide a snapshot of the current risks, helping to clearly identify the current major risk(s) to the Scheme. The Scheme may wish to identify emerging risks in this location as well. • ensuring all risks have mitigating actions and owners • documenting closed risks <p>Incorporate relevant WMFS Corporate Risks within the PB Risk Register, to include Cyber Security (CR 7.3).</p>	Pensions Board RR sub group	Completed by January 2023	Complete – PB agreed to maintain current RR approach.
H2	11/11	Risk Management	PB Risk Register to be incorporated into Audit and Risk Committee risk updates.	Scheme Manager	To begin from March 2023 A&R Meeting	Completed
I	11/11	Digitisation of records	All records to be digitised and accessible to support data collection.	Pensions Manager supported by Data and Governance Team	Completed	Completed

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J	11/11	Data Improvement policy	Pensions Team to work with Data and Governance team on ensuring a Data Improvement Policy is in place for Pensions Data, either drawing on existing policy or developing a new policy if required. To be taken forward following roll out of ALTAIR update.	Pensions Administration Team & Data and Governance Team	Completed following implementation of new Altair system March 2023	Ongoing
K	11/11	Data Improvement Plan	Pensions Team, drawing on the Annual Data Review (Action L) to develop a Data Improvement Plan for any areas where data scores are not complete. This to be reported to both Scheme Manager and Pension Board, and shared with TPR. To be taken forward following roll out of ALTAIR update.	Pensions Administration Team	Following completion of Annual Data Review	Ongoing
L	11/11	Annual data review	Pensions Team to undertake a pension data review, to assess the accuracy and completeness of member data, to be reported to the Pension Board and Scheme Manager.	Pensions Administration Team	Completed by June 2023	Ongoing – date reviewed
M	11/11	Recording data scores	Pensions administration team to record common and scheme specific data scores gathered as part of the Annual Data review (Action L) in Exchange as part of annual return to The Pension Regulator.	Pensions Administration Team	Completed by June 2023	Ongoing – date reviewed
N1	11/11	Review of KPIs	Scheme Manager to inform Pensions Board which KPIs it wishes to have developed and to receive regular updates on. PB to develop and agree with Pensions Team, and utilise a traffic light system (RAG).	Scheme Manager, Pensions Board Chair and Pensions Administration Team	Completed by March 2023	Completed

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N2	11/11	Supporting narrative to KPs	All Key Performance Indicators (provided with RAG rating) to be accompanied by appropriately detailed written narrative (which may be provided alongside a verbal update). This narrative to be provided to both the Scheme Manager and the Pension Board	Pensions Administration Team	Completed by June 2023	Ongoing – KPIs agreed by Scheme Manager – Pension Admin Team will now implement
O	11/11	Documentation of Data validation procedures	Implementation of ORACLE upgrade is intended to allow Scheme Members to update their own contact details. All members to be contacted by post to inform them of new system, with further investigation of failed deliveries. Update to be given on time frames for the new system / implementation to PB in December by Pension Team.	Pensions Administration Team	Update in December 2022, Trial of ORACLE started in February 2023	Delayed – Trial with initial group of pensioners failed - issue with ORACLE for resolution. Timescale for implementation not yet clear.
P	11/11	Pension Process Automation	Pensions Team to provide a report to the Scheme Manager on automation and systems improvements achieved by implementation of ALTAIR and ORACLE systems system once in place.	Pensions administration team	Completed by June 2023	Report to Scheme Manager in July 2023
Q1	11/11	Administrative Task Timescales	Pensions Team to provide a report to the Scheme Manager setting out the expected task timescales (e.g., responses to queries), which will also be shared with Pension Board.	Pensions administration team	Completed by March 2023	Ongoing
Q2	11/11	Firefighter Pensions SAB Pensions Administration Strategy	Pensions Board to utilise FPS Administration, Management, and Governance Strategy template to create single documentation of roles and services standards. Document to be agreed by Scheme Manager and published on the WMFRA CMIS site.	Scheme Manager, Pension Board, Pension Team, Portfolio Team	Completed by March 2023 Completed by July 2023	Ongoing – second draft shared with PB for comment, to be agreed at July 2023

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Actions arising from previous Pension Board meetings						
1	08/12	Altair timescales	Update to be given on time frames for the Altair new system / implementation and elements around data once available.	Pensions Manager	Completed by March 2023	Update to July PB expected
2	08/12	Members opt-out	A report is to be submitted to Audit and Risk Committee that included information circulated to employees to encourage them to remain in the scheme and what actions could be taken to keep them well informed before they decided to opt-out of their pension scheme.	Deputy Clerk / Pensions Manager	Completed by March 2023	Ongoing
3	08/12	Business Cont. Plan	A separate plan on Pension board be drafted.	Deputy Clerk/ Pensions Manager	Completed by July 2023	Deferred at March 2023 Meeting
4	08/12	Actively updating data records	Pensions Manager to go back to all relevant individuals to ask them to update their records, with assistance from Julie Felton, to actively promote them to update their records.	Pensions Manager/ Admin Manager	Completed by March 2023	Ongoing
5	08/12	External communications strategy	Develop external communications with the Communications Manager and circulate to the Board.	Deputy Clerk/ Senior Communications Manager	Completed by February 2023	Completed – reported to PB in March 2023
6	08/12	Regulators Code of Practice	Board to familiarise themselves with the revised Regulators Code of Practice.	Pension Board	Completed by March 2023 Board Meeting	Completed – link to code of practice shared.
7	08/12	Training analysis	PSS/Deputy Clerk to develop the training analysis for Board Members.	Deputy Clerk/PSS	Completed by March 2023	Completed
8	29/03	Oracle ownership	Pensions Manager and PSS to speak with the relevant officer responsible for the ownership of the Oracle system.	Pensions Manager/PSS	Completed by July 2023	Ongoing - PB updated via email.

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9	29/03	Risk Register – Removal of Risk	Remove risk 1 – Operational disaster	Admin Manager	Completed by July 2023	Ongoing – to be updated for the next PB in July 2023.
10	29/03	Risk Register	Admin Manager to circulate the Risk Register for Pension Board feedback.	Admin Manager	Completed by April 2023	Circulated and feedback from only two members received
11	29/03	External Communications	Senior Communications Manager to provide potential time scales for a dedicated Pensions section on wmfs site, including the development of relevant FAQ's, with the assistance of the Pension Board. To be added to the next Pension Board agenda.	Senior Communications Manager/ Deputy Clerk	Complete by July 2023	Draft content for page agreed – awaiting changes to P&P email/phone system to implement
12	29/03	Business Continuity Plan	Deferred to the next Pension Board for approval/discussion.	Democratic Services Officer	Complete by July 2023	Ongoing – to be added to the next PB agenda in July 2023.
13	29/03	Chair of the Pension Board	That the Employee representatives' views on the removal of the Independent Chair be included in the Pension Board update to A&R Committee. 6 monthly rotations between the Employee/Employer representatives to Chair the Board, with Alan Tranter to remain as Chair for the next 6 months.	Deputy Clerk	Completed by June 2023	Ongoing – to be reported to A&R in June 2023
14	29/03	PB Terms of Reference	PB Terms of Reference to be circulated to PB for comments with the following amendments: <ul style="list-style-type: none"> - 6 monthly rotations for Chairing the Board - Wording amended on the membership (retired/active Members) 	Deputy Clerk	Completed by June 2023	Draft circulated and now ready to go to SM for approval in June 2023.
15	29/03	Outstanding items	Democratic Services Officer to circulate all information on the following, for Boards feedback/decision: <ul style="list-style-type: none"> - Home Office Consultation – Pension Scheme Regulations - Fire and Police Pension Data Conference - Date of the next meeting 	Democratic Services Officer	Completed by April 2023	Completed.

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Appendix B – Revised Terms of Reference

Terms of Reference for the Pension Board of the West Midlands Fire & Rescue Authority Firefighter Pension Scheme

Terms of Reference and Delegated Authorities

Introduction

This document outlines the terms of reference for the ~~Local~~ Pension Board ~~for~~ the West Midlands Fire ~~fighter Pension Scheme~~ & ~~Rescue Authority~~.

Role of the Pension Board

The role of the local Pension Board as defined by section 5(1) and (2) of the Public Service Pensions Act 2013 is to -

- Assist the Scheme Manager:
 - to secure compliance with the Scheme regulations and any other legislation relating to the governance and administration of the Firefighters' Pension Scheme ("the Scheme").
 - to secure compliance with requirements imposed in relation to the Scheme by the Pensions Regulator.
 - in such other matters as the Scheme regulations may specify.
- Secure the effective and efficient governance and administration of the Scheme for the West Midlands Fire & Rescue Authority.
- Provide the Scheme Manager with such information as it requires ensuring that any member of the Pension Board or person to be appointed to the Pension Board does not have a conflict of interest.

The Pension Board will ensure it effectively and efficiently complies with the code of practice on the governance and administration of public service pension schemes issued by ~~the~~ Pension Regulator.

The Pension Board will also seek to ensure that the Scheme is managed and administered effectively and efficiently and complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

The Pension Board shall meet sufficiently regularly to discharge its duties and responsibilities effectively.

Appointment of Members of the Pension Board

The process for selecting members of the Pension Board is set out below:

The Fire ~~and Rescue Service Authority~~ will consider matters such as who is eligible to stand, how the nomination process will work and what sort of information candidates will need to submit. ~~The Service will appoint through election or selection with the rules of governing the process. The Fire Authority has an independent chair who will chair the Pension Board meetings, this role will be an independent role.~~

The Pension Board shall consist of ~~six~~7 members and be constituted as follows:-

- i. ~~Three~~3 employer representatives, which ~~have~~ will been identified ~~by the Service~~, and appointed
 - ii. ~~Three~~3 scheme member representatives, which have been identified, and elected ~~by Scheme members or appointed by the Scheme Manager. and of which one should be a retired member~~ At least one scheme member representative must be an active pension scheme member, and at least one must be a retired scheme member.
- ~~1 independent chair selected.~~

Scheme member and employer representatives ~~shall~~ must be appointed in equal number and shall together form the majority of the Board's membership.

The Chair of the Pension Board will be ~~drawn from within the membership of the Board. determined by the Scheme Manager.~~ It will be the role of the Chair to ensure that all members of the Board show due respect for process, that all views are fully heard and considered and to determine when consensus has been met.

The term of office for the Chair will be ~~six months, on an alternating basis between the Scheme Member representatives and Employer representatives. determined by the Scheme Manager.~~

Each employer representative and scheme member representative so appointed shall serve for a fixed period (of up to three years) which can be extended for further period(s) subject to re-nomination ~~and/or~~ re-election.

Each Board Member should endeavour to attend all Board meetings during the year and is required to attend at least ~~two~~2 meetings each year.- In the event of consistent non-attendance by any Board member, then the tenure of that membership should be reviewed by the other Board members in liaison with the Scheme Manager.

Other than by ceasing to be eligible as set out above, a Board member may only be removed from office during a term of appointment by:

Scheme Member representatives

- recommendation by the other scheme member representatives and the unanimous agreement of all of the other members.

Employer representatives

- by the decision of the Service or on leaving the employment of the Service.

~~The removal of the independent member requires the consent of the Scheme Manager.~~

-

The Board may, with the approval of the Scheme Manager, co-opt persons who are not members of the Board to serve on sub committees, particularly where this would add skills and experience. Notwithstanding the appointment of co-opted members, the majority of the Board shall be comprised of employer and Scheme member representative, represented in equal number.

Quorum

The Board shall have a formal quorum when at least one scheme member representative and one employer representative are in attendance.

In the absence of the ~~Independent~~ Chair, a Chair person will be selected from amongst those representatives present. ~~on a rotational basis between the scheme member and employer representatives.~~

Advisors and co-opted persons do not count towards the quorum.

Conflicts of Interest

The Board will utilise the existing Authority policy for identifying conflicts of interest ~~is set out in a separate policy document.~~ Any conflicts of interest that would prevent a representative from carrying out the role effectively will need to be highlighted to the ~~Service~~ Scheme Manager.

Board Review Process

The Board will undertake at the first meeting of the year, a formal review process to assess how well it and its committees and the members are performing with a view to seeking continuous improvement in the Board's performance.

Advisers to the Board

The Board may be supported in its role and responsibilities through the appointment of advisers and shall, subject to any applicable regulation and legislation from time to time in force, consult with such advisers to the Board and on such terms as it shall see fit to help better perform its duties including:-

- A Governance Adviser.
- The Fund's Actuary.
- The Fund's Administrator.
- A representative of the Scheme Manager.
- Other advisers, so approved by the Scheme Manager.

The Board shall ensure that the performance of the advisers so appointed are reviewed on a regular basis.

Knowledge and Skills

The Code of Practice No. 14 Governance and Administration of public service pension schemes states “A member of the Pension Board must have a working knowledge and understanding of the law relating to pensions (and any other prescribed matters) sufficient for them to exercise the function of their role. Pension board members should be aware of the range and extent of the law relating to pensions which apply to their Scheme and have sufficient understanding of the content and effect of that law to recognise when and how it impacts on their responsibilities and duties”.

It is for individual Pension Board members to be satisfied that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the Pension Board.

In line with this requirement Pension Board members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date. Pension Board members ~~are therefore required to~~ will be supported to maintain a written record of relevant training and development.

Pension Board ~~members~~ should regularly review their skills, competencies and knowledge to identify gaps or weaknesses. Pension Board members will be expected to attend training to ensure that their knowledge and skills are maintained.

Board Meetings – Notice and Minutes

The Scheme Manager shall give notice to all Pension Board members of every meeting of the Pension Board. ~~The Scheme Manager shall ensure that a formal record of Pension Board proceedings is maintained. Following the approval of the minutes by the Chair of the Board or Board Committee, they shall be circulated to all members of the Board and forwarded to the Scheme Manager.~~

There will be a minimum of four Pension Board meetings scheduled per a year to be held quarterly. The minutes of the Pension Board will be approved by the Scheme Manager and shared with pension scheme members on the Authority website.—

~~Remit of the Board~~

-

~~The Pension Board must assist the Scheme Manager with such other matters as the Scheme regulations may specify. It is for Scheme regulations and the Scheme Manager to determine precisely what the Pension Board's role entails.~~

-

Standards of Conduct

The role of Pension Board members requires the highest standards of conduct and therefore the 'seven principles of public life will be applied to all Pension Board members ~~and as~~ embodied in the Authority code of conduct.

These are:-

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership.

Decision Making

Each elected/appointed member of the Pension Board will have an individual voting right, but it is expected the Pension Board will, as far as possible, reach a consensus. ~~The Independent Chair of the Pension Board will not have voting rights.~~

Publication of Pension Board Information

Scheme Members and other interested parties will want to know that the Scheme is being efficiently and effectively managed. ~~They will also want to be confident that the Pension Board is properly constituted, trained and competent in order to comply with Scheme regulations, the governance and administration of the Scheme and requirements of the Pension Regulator.~~

Up to date information will be posted on the West Midlands Fire & Rescue Authority website showing:-

- The names and information of the Pension Board members.
- How the Scheme members are represented on the Pension Board.
- The responsibilities of the Pension Board as a whole.
- The full terms of reference and policies of the Pension Board and how they operate.

- The Pension Board appointment process.
- ~~Who each individual Pension Board member represents.~~
- Any specific roles and responsibilities of individual Pension Board members.

Pension Board papers, agendas and minutes of meetings will be published on the West Midlands Fire & Rescue Authority website (CMIS). These may at the discretion of the Scheme Manager be edited to exclude items on the grounds that they are deemed as being confidential for the purposes of the Data Protection Act 1998, and other relevant data protection legislation (such as General Data Protection Regulations).

The Scheme Manager will also consider requests for additional information to be published or made available to individual Scheme members to encourage Scheme member engagement and promote a culture of openness and transparency.

Accountability

The Pension Board will be collectively and individually accountable to the Scheme Manager.

Expense Reimbursement [Remuneration and Allowances]

There will be no specific remuneration for undertaking the role of representative on the Local Pension Board. However, travel expenses in line with public transport or car mileage may be claimed with a valid receipt.

Reporting Breaches

Pension Board members are required to report breaches of the law to ~~The~~The Pension ~~r~~Regulator where they believe there is a legal duty that has not or is not being complied with or the failure to comply will be of material significance to ~~T~~the Pensions Regulator in the exercise of its functions. Any breach brought to the attention of the Pension Board, whether potential or actual, shall be dealt with in accordance with the procedure set out in a separate policy document.

Definitions

The undernoted terms shall have the following meaning when used in this document.

- "Pension Board" means the local Pension Board for the Fire Authority "Board" as required under the Public Service Pensions Act 2013.

- "Scheme Manager" Means the West Midlands Fire & Rescue Authority as administering authority of the Pension Fund, or whoever they have delegated this responsibility to.
- "Chair" Reference to duties to be performed, or authorise exercised, by the Chair.
- "Scheme" Means the Firefighters' Pension Schemes.
- ~~"West Midlands Fire & Rescue Authority Means the West Midlands Fire & Rescue Authority"~~

-
Interpretation

Any uncertainty or ambiguity or interpretation required relating to any matters contained in this document shall be resolved by reference to the Scheme Manager.

Pensions Board

Item 8

08 December 2022 at 14:00 hrs

Conducted at headquarters and digitally via Microsoft Teams

Attendance:

Chair: Julie Felton – Employer Representative

Employer Representatives:

Kamla Devi-Ahir

Officers and advisors in attendance:

Cllr Miks – (Chair of Audit Committee)

Tom Embury – Deputy Clerk to the Authority

Paul Gwynn – Pensions and Payroll Manager

Kirsty Tuffin – Democratic Services Officer

Employee Representatives:

Adam Harper

Alan Tranter

1. Apologies

Apologies were received from Kal Shoker, Employer representative.

2. Minutes of the Previous Pension Board held on 20 September 2022

Resolved:

1. That the minutes of the Pension Board held on 20 September 2022 be approved as a correct record of proceedings.

3. Minutes of the Previous Pension Board held on 20 October 2022

Resolved:

1. That the minutes of the Pension Board held on 20 October 2022 be approved as a correct record of proceedings.

4. Pension Section Supporting Information

Paul Gwynn, Pensions and Payroll Manager, presented the Business-as-Usual Performance Report, that outlined the basic demographics, activity levels/performance and the Internal Dispute Resolution Procedure.

Following concerns raised on the high level of numbers of those opting out of the scheme, Paul reassured members he had been corresponding with unison to do information sessions for those in the 2015 pension scheme. An induction was provided to all new starters on the scheme however, it was believed that whilst fire fighters had been in their training, they often opted out of the scheme until fully qualified. Following

discussions with Cllr Miks, on the role the Scheme Manager could have to assist, it was agreed that a report be submitted to Audit and Risk Committee that included information circulated to employees to encourage them to remain in the scheme and what actions could be taken to inform its employees. It was agreed that more action needed to be taken to ensure employees are well informed before they make the decision to opt out, but it was recognised that ultimately it had to be their decision.

Resolved:

1. That the Business-as-Usual Performance Report be noted.
2. That it be agreed that a report be submitted to Audit and Risk Committee that included information circulated to employees to encourage them to remain in the scheme and what actions could be taken to keep them well informed before they decided to opt-out of their pension scheme.

5. Risk Register

Julie Felton, Employer Representative, presented the Risk Register that outlined the key risk areas, categorised and scored against their likelihood to occur and the impact that would have.

The Board were advised that, unfortunately the risk register had not been updated since 7 September 2022. It had previously been agreed that that Alan Tranter, Employee representative, Paul Gwynn and Julie Felton would meet to discuss the risk register and advise the Board. Paul queried the Board if it would still be appropriate for him to attend these meetings as he did not want to appear to lead the Board. Alan expressed his desire for Paul to continue to attend the meetings, given his role. Paul agreed to continue to attend the sessions on the risk register, to indicate the impact of risks but would not set risks. Following reference to the regulator and potential changes by Audit and Risk Committee to the format of the risk register, it was advised this would be covered under item 6 of the agenda. It was agreed that Julie Felton would circulate 2023 meeting dates to discuss the Risk Register.

Resolved:

1. That the Risk Register – RED Rated, be approved.
2. That it be agreed that Alan Tranter, Julie Felton and Paul Gwynn would continue to meet to discuss the risk register. Julie Felton would circulate 2023 dates for these meetings.

6. The Pension Regulator Supervisory Report – Action Plan

Tom Embury, Deputy Clerk to the Authority, presented the Pension Regulator Supervisory Report that outlined the recommendations/action plan for the West Midlands Firefighters Pension Scheme Manager and Pension Board.

The Board were advised that the action plan was circulated to the Regulator by the deadline of 11 November 2022 following amendments/approval from both Pension Board and Audit and Risk Committee, as Scheme Manager. The Regulator had approved the action plan so all recommendations can be progressed if not completed already. It was agreed that the action plan be expanded to include actions arising from meetings to establish a Pension Board action plan. It was agreed this for be circulated to the Board prior to March meeting for actions to be progressed. It was agreed that

this be a standing item on the agenda for discussion and form part of the Pension Board Annual Report, submitted to Audit and Risk Committee.

Tom provided an overview/update on the action plan, as per agenda pack, as follows:

Reference	Update
A1	As responsibility lied with the Pension Board Chair, the completion date would now be March 2023.
A2	Training plan to be developed and an update be provided at the next Pension Board meeting in March 2023.
B1	Work was underway with PSS to provide time scales.
D1	Ferg Slade was unable to attend PB (8 December) but Tom would be covering update under agenda item 10.
D2	More information to be shared following internal investigation at the next Pension Board meeting in March 2023.
E1	Would be covered under agenda item 7.
E2	To be provided at the next Pension Board meeting in March 2023.
F	Resolved – reports will be provided to the Board, where possible.
G	Kirsty Tuffin to share the Declarations of Interest Form for pension Board Members. To be filled in annually by Board Members and added as a standing agenda item for new developments throughout the year.
H1	It was agreed that the format remain the same as it is with a simple RAG rating.
J-M	It was agreed that Paul Gwynn would update the Board on elements around data following his meeting with Altair.
N1 – N2	It was agreed that a report on proposed KPIs would go the next Audit and Risk Committee for approval/scrutiny. Prior to this, it would be circulated to Board Members for comments/amendments. It was agreed that this would include where the service had been currently to assess how to benchmark each KPI.
Q1	As per action N1-N2.
Q2	Was currently being drafted and would be circulated to the Board in due course for comments prior to its publication on CMIS.

Following questions on IDRPCs and complaints process, Paul advised the Board that all dispute decisions were well documented for a clear record. IDRPCs are usually reported to the Board via the Business-as-usual Report. No IDRPCs had been received since the last report. Tom Embury confirmed that all complaints had been submitted through the services CCC process and would follow the required time scales. It was expressed that there needed to be a clearer understanding between Stage 1 Disputes that would be dealt with by Mike Griffiths, as the Strategic Enabler for Finance, an IDRPC or a CCC process. Tom advised the Board that work had been underway with the Communications team to establish who would follow up any CCCs received. He reassured the Board that if addressed as a complaint, it would be treated as one through the CCC process. If it was felt it did not warrant a complaint, an email would follow this up with the individual(s). The need for this information be provided to the Audit and Risk Committee, as Scheme Manager, to provide them with confidence with the process was emphasised. It was agreed that IDRPCs be added as a standing item on the agenda moving forward. It was agreed that Tom would circulate the services CCC policy to provide greater clarity on the process.

Resolved:

1. That the Pension Regulator Supervisory Report – Action Plan be noted.
2. That it be agreed that the action plan be expanded to include actions arising from meetings to establish a Pension Board action plan. It was agreed that this be a standing item on the agenda for discussion and form part of the Pension Board Annual Report, submitted to Audit and Risk Committee. It was agreed the action plan be circulated to the Board prior to March meeting for actions to be progressed
3. That it be agreed that IDRPCs be added as a standing item on the agenda moving forward.
4. That it be agreed that Tom would circulate the services CCC policy to provide greater clarity on the process.
5. That it be agreed that Kirsty Tuffin would circulate the Pension Board Declarations of Interest forms to Pension Board Members to fill in.
6. That it be agreed that the format of the Risk Register remain as it is.
7. That it be agreed that Paul Gwynn would update the Board on elements around data following his meeting with Altair.
8. That it be agreed that a report on proposed KPIs would go the next Audit and Risk Committee for approval/scrutiny. Prior to this, it would be circulated to Board Members for comments/amendments. It was agreed that this would include where the service had been currently to assess how to benchmark each KPI.

7. Business Continuity Plan

Paul Gwynn presented the Business Continuity Plan as per requested at the last Pension Board meeting. Following queries upon how the Pension Board and Scheme Manager fit within the current plan, Paul advised the Board that the organisation had its own plan that pensions would sit under. If systems did go down, the organisations would still be required to ensure payments are made. It was expressed that both a pension administration plan and pension board business plan were required. A separate appendix to the plan would be ideal. It was agreed that Tom Embury would work with Paul to develop the plan for discussion at the next Pension Board Meeting in March 2023.

Resolved:

1. That the business continuity plan be noted.
2. That it be agreed that Tom Embury would work with Paul to develop a separate plan on Pension administration for discussion at the next Pension Board Meeting in March 2023.

8. Recruitment Update

Tom Embury, Deputy Clerk to the Authority, provided a verbal update on the recruitment process for both the employee representative and the Independent Chair of the Board vacancy held on the Board.

The Board were advised that the advert for the Independent Chair of Pension Board was live and would end Mid-December 2023. The advert had been widely spread across different job websites and West Midlands Fire Services website. No applications had been received. If no applicants were received, the advert would need to be extended into the new year. Suggestions had been made to the Strategic Enabling Team to use their connections in different organisations to assist in targeting

a potential candidate to apply for the role. Following suggestions to work with Birmingham Chamber of Commerce, Tom re-assured Members that the service did have links with organisations inside/out of Birmingham and organisations that could have potential candidates with pension knowledge would be sought.

The Board were advised that following concerns raised around the interest stage for the third employee representative and no postal option, it was felt this did not render the process. The need for those interested to be IT literate was emphasised. The Board were re-assured that post would be used for the voting stage of the process to ensure as many members as possible are able to vote. Following concerns around potential data issues, Paul expressed that the recruitment process for the third employee representative had been the responsibility of the Board and not the remit of the Scheme Manager. Data used for the process had been the most up to date information provided to the service. It was emphasised that members needed to formally notify the service of contact details changing. Emails that bounced in the previous process in July 2022, had not been used. Julie confirmed that admin had not been made aware of any internal emails bouncing/issues. All emails that bounced had been sent letters, with the final set being circulated today (8 December). It was agreed that Paul Gwynn would go back to all relevant individuals to ask them to update their records, with assistance from Julie Felton, to actively promote them to update their records.

Following queries on the rules of balloting, Tom advised that the service had not been subject to the same rules as that of Unions, as the decision to elect had been an internal agreement by the Board in 2017. Most Boards across different services did not elect their representative(s) but opted for an appointment process instead.

Alan Tranter and Adam Harper advised they would extend their tenure. It was agreed that Tom Embury would email them for their confirmation of this to submit to the Scheme Manager for approval.

Resolved:

1. That the verbal update on recruitment be noted.
2. That it be agreed that Paul Gwynn would go back to all relevant individuals to ask them to update their records, with assistance from Julie Felton, to actively promote them to update their records.
3. That it be agreed that Tom Embury would email Alan Tranter and Adam Harper for their confirmation of their request to extend their tenure on the Board, to submit to the Scheme Manager for approval.

9. Update on New Systems/Automation of Process

There were no further updates to be provided to the Pension Board.

10. External Communications Update

Tom Embury provided a verbal update on the external communications at the request of the Audit and Risk Committee.

The Board were advised that unfortunately, Ferg Slade, Communications Manager, had not be able to attend the Board meeting, due to other commitments. He was

developing a strategy for the Board for regular newsletter updates to be circulated to scheme members. It was agreed that Tom would correspond with Ferg, and it was hoped the strategy would be shared with the Board in due course.

Resolved:

1. That the external communications verbal update be noted.
2. That it be agreed that Tom would correspond with Ferg Slade on the strategy, with the intention to share the strategy with the Board in due course.

11. Update on Topical, Legal and Regulatory Issues (Verbal Report)

Paul Gwynn advised the Board that the Regulators Code of Practice had been updated, as per agenda item 4 of the agenda. It was agreed that Board Members would familiarise themselves with the revised Regulators Code of Practice before the next Pension Board meeting.

Following queries around the reference of 2a members for Immediate Detriment, Paul advised the Board that there had been 9 2a members, four of which can under Matters of Understanding and would be contacted before the end of December 2022. All remaining members would be contacted in January 2023.

Following queries around the 'hurt feelings' case, Paul advised the Board that only 2 claimants had been made by representative bodies so not everyone would be entitled to the payments. He advised that no payments would be issued until central government had provided the additional funds.

Resolved:

1. That the verbal update on Topical, Legal and Regulatory Issues be noted.
2. That it be agreed that Board Members would familiarise themselves with the revised Regulators Code of Practice before the next Pension Board meeting.

12. Training Update

Kirsty Tuffin, Democratic Services Officer, advised the Board that the Local Government Association (LGA), unfortunately did not have availability to provide a training session before Christmas. If Board Members were happy, the next Pension Board would be arranged in March, based upon the LGAs availability of the 28 or 29 March 2023, to ensure training could be provided. It was advised that should members have any specific topics they wish to have covered in the training then to inform Kirsty as soon as possible.

Members that wished to attend Staffordshire's LGA training on 17 January had been invited to do so. Adam Harper and Alan Tranter expressed the desire to attend. It was agreed that Kirsty Tuffin would contact the organisers. It was agreed that the TPR six key principles be included in the LGA training. It was agreed that Tom and Kamla Devi-Ahir would work on the training analysis for Board Members.

Resolved:

1. That the training update be noted.
2. That it be agreed that Kirsty Tuffin contact Staffordshire to book Alan Tranter and Adam Harper onto their LGA training, subject to availability.

3. That it be agreed that the TPR six key principles be included in the LGA training.
4. That it be agreed that Tom and Kamla Devi-Ahir would work on the training analysis for Board Members.

13. Pension Board Work Programme 2022-2023

Tom Embury provided an overview of the Pension Board Work Programme for 2022-2023 that outlined the planned Pension Board agenda items for the next municipal year. He advised that the Pension Board Terms of Reference (TOR) would be discussed in March 2023, should Members wish to recommend any changes to the Scheme Manager. Should members have thoughts on any recommended changes in the build up to the March meeting, please contact Tom or Kirsty who will include these for the Board to discuss. The Board were advised that as part of the constitutional changes, taking place next year, it was the viewpoint to include the Pension Boards TOR therein, alongside other Fire Authority Committee(s) TOR.

Resolved:

1. That it be agreed that the Pension Board Work Programme 2022-2023 be noted.

14. Date of the next meeting

Resolved:

1. That as per item 11 above, the next Pension Board would be arranged in March, based upon the LGAs availability of the 28 or 29 March 2023.

15. Any other business

Tom Embury reminded the Board that emails circulated outside the meeting were not to be shared externally, as part of the services privacy statement therein the email disclaimers. He agreed that feedback to members of the scheme had been important however, direct emails which could include sensitive information must not be shared with them directly.

Following queries around the Internal Investigation TOR, it was agreed that Tom Embury would discuss this with Cllr Miks, as a representative for the Scheme Manager, and subject to her approval, would publicly publish the TOR on the Committee Management Information System. He advised that in regard to information on the selected investigator this had been a decision of the Scheme Manager to appoint the correct person for the job. Both the Scheme Manager and Chair of the Authority felt comfortable with their decision. Alan Tranter advised he would direct members to her CV that had been publicly available on an external website should members ask.

Following queries on the process required to change the governance process in regard to changing the Scheme Manager from a Committee to a single individual, it was agreed that Tom would report the Employees views into Audit and Risk Committee. It was agreed that moving forward Pension Board meetings would be arranged for a duration of 2 hours to ensure there is adequate time to discuss agenda items. It was agreed that agendas would be issued 5 clear working days (7 days) before a meeting to align with statutory requirements for public meetings.

Resolved:

1. That it be agreed that Tom Embury would discuss the Internal Investigation TOR with Cllr Miks, as a representative for the Scheme Manager, and subject to her approval, would publicly publish the TOR on the Committee Management Information System.
2. That it be agreed that Tom would report the Employees views on a change the governance process in regard to changing the Scheme Manager from a Committee to a single individual into Audit and Risk Committee.
3. That it be agreed that moving forward Pension Board meetings would be arranged for a duration of 2 hours to ensure there is adequate time to discuss agenda items.
4. That it be agreed that agendas would be issued 5 clear working days (7 days) before a meeting to align with statutory requirements for public meetings.

The Pension Board meeting ended at 16:22hrs.

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT AND RISK COMMITTEE

WORK PROGRAMME 2022/23

Date of Meeting	Item	Responsible Officer	Completed
2022			
18 July 2022	Statement of Accounts 2021/22 (Draft Unaudited Approval)	Treasurer	26 Sept 2022
	Treasury Management Annual Report 2021/22	Treasurer	26 Sept 2022
	Minutes of the Audit and Risk Committee held on 6 June 2022	Democratic Services Officer	26 Sept 2022
	Minutes of the Pension Board held on 28 March 2022	Democratic Services Officer	28 Nov 2022
	Audit and Risk Committee Draft Work Plan 2022/23	Democratic Services Officer	26 Sept 2022
26 Sept 2022	Terms of Reference of Audit and Risk Committee	Democratic Services Officer	Deferred to 24 July 2023
	Audit Progress & Sector Update	Grant Thornton	No additional report.
	Internal Audit Progress Report	Audit Manager	28 Nov 2022
	Pensions Board - Appointment of Independent Chair	Deputy Clerk	26 Sept 2022

	Internal Audit Report - Data Governance	ACFO Strategic Enabler (Enabling Services) /Data and Governance Manager	Deferred to 20 March 2023
	Update on the Corporate Risk 6.1 - Business Continuity Arrangements	ACFO Strategic Enabler (Enabling Services)	26 Sept 2022
	The Pension Regulator Supervisory Report Update	Deputy clerk	26 Sept 2022
	Statement of Accounts 2021/22 (Draft Unaudited Approval)	Treasurer	26 Sept 2022
	Approach to be Taken in Respect of Immediate Detriment Cases under the McCloud Sargeant Ruling	ACFO Strategic Enabler (Enabling Services)	26 Sept 2022
	Treasury Management Annual Report 2021/22	Treasurer	26 Sept 2022
	CIPFA Report	Audit Manager	26 Sept 2022
	Minutes of the Audit and Risk Committee held on 06 June 2022 and 18 July 2022	Democratic Services Officer	26 Sept 2022
	Audit and Risk Committee Work Plan 2022/23	Democratic Services Officer	26 Sept 2022
10 Oct 2022 [Authority]	Minutes of the Audit and Risk Committee held on 06 June and 18 July 2022	Democratic Services Officer	10 October 2022

28 Nov 2022	Minutes of the Audit and Risk Committee held on 26 September 2022	Democratic Services Officer	28 Nov 2022
	Regulator Supervisory Report	Deputy Clerk	28 Nov 2022
	Audit Findings 2021/22	Grant Thornton	28 Nov 2022
	Statement of Accounts 2021/22 (for approval)	Treasurer	Deferred to 20 March 2023
	Audit Progress & Sector Update	Grant Thornton	28 Nov 2022
	Internal Audit Progress Report	Audit Manager	28 Nov 2022
	Treasury Management Mid-Year Report 2022/23	Treasurer	28 Nov 2022
	Corporate Risk Update Q1 & Q2 2022/23	ACFO Strategic Enabler (Enabling Services)	28 Nov 2022
	Audit and Risk Committee Work Plan 2022/23	Democratic Services Officer	28 Nov 2022
	Minutes of the Pension Board held on 28 March 2022 and Minutes of the Pension Board held on 10 June 2022	Democratic Services Officer	28 Nov 2022
	Fraud Awareness Training (tbc)	Phil Tromans John Matthews	Deferred to 20 March 2023.
12 Dec 2022 (Authority)	Audit Findings 2021/22	Grant Thornton	Deferred.
	Statement of Accounts 2021/22	Treasurer	Deferred.

2023			
13 Feb 2023 (Authority)	Minutes of the Audit and Risk Committee held on 28 November 2022 Audits Annual Report 2021/22 (May be A&R March 2023)		Deferred to June 2023
20 March 2023	Minutes of the Audit and Risk Committee held on 28 November 2022	Democratic Services Officer	20 March 2023
	Audit Progress & Sector Update	Grant Thornton	No additional report.
	Internal Audit Progress Report	Audit Manager	20 March 2023
	Corporate Risk Update Q1 & Q2 2022/23	ACFO Strategic Enabler (Enabling Services)	28 November 2022
	Vacant Residential Properties Update	Treasurer	Deferred.
	Monitoring Policies and RIPA (Annual Whistleblowing Report) (May be June 2023)	Monitoring Officer/ACFO Strategic Enabler (Enabling Services)	19 June 2023
	Internal Audit Plan 2023/24	Audit Manager	20 March 2023
	Audit Plan 2022/23 (possibly in June 2023 - tbc)	Grant Thornton	Deferred to 24 July 2023
	Internal Audit Charter – Annual Review	Audit Manager	20 March 2023

Informing the Audit Risk Assessment – West Midlands Fire and Rescue Authority 2022/23 (possibly in March 2023 but may need to be June 2023 - tbc)	Grant Thornton	20 March 2023
Auditors Annual Report (May be Authority in February 2023)	Grant Thornton	20 March 2023
Statement of Accounts (for approval)	Treasurer	20 March 2023
Internal Audit Report - Data Governance	ACFO Strategic Enabler (Enabling Services) /Data and Governance Manager	20 March 2023
Annual SIRO report	ACFO Strategic Enabler (Enabling Services)	20 March 2023
Addition of Fire Investigation – Corporate Risk	Strategic Lead - Prevention	20 March 2023
Pension Board Action Plan and Risk Register	Deputy Clerk	20 March 2023
Pension Board Membership	Deputy Clerk	20 March 2023
Pension KPIs for Member Input	Deputy Clerk	20 March 2023
Minutes of the Pensions Board held on 20 September 2022 and 20 October 2022	Democratic Services Officer	20 March 2023

	Audit and Risk Committee Work Plan 2022/23	Democratic Services Officer	20 March 2023
	Fraud Awareness Training	Phil Tromans John Matthews	20 March 2023
	<i>Committee Members' Private meeting with Internal Auditors (to follow Committee)</i>	<i>Audit Manager</i>	20 March 2023
19 June 2023	Annual Internal Audit Report 2022/23	Audit Manager	19 June 2023
	Governance Statement 2022/23	Treasurer	19 June 2023
	Monitoring Policies and RIPA (Annual Whistleblowing Report) (May be March 2023)	Monitoring Officer/ACFO Strategic Enabler (Enabling Services)	19 June 2023
	Corporate Risk Update Q3 & Q4 2022/23	ACFO Strategic Enabler (Enabling Services)	19 June 2023
	Audit Plan 2022/23 (possibly in March 2023 - tbc)	Grant Thornton	Deferred to 24 July 2023
	Informing the Audit Risk Assessment – West Midlands Fire and Rescue Authority 2022/23 (possibly in March 2023 but may need to be June 2023 - tbc)	Grant Thornton	20 March 2023
	Annual Report of the Audit and Risk Committee 2022/23 for approval	Chair, Audit and Risk	Deferred to 24 July 2023
	Audit Progress & Sector Update	Grant Thornton	No update.
	Internal Audit Progress Report (TBC)	Audit Manager	No additional report.

	Terms of Reference	Democratic Services Officer	Deferred to 24 July 2023
	Minutes of the Audit and Risk Committee held on 20 March 2023	Democratic Services Officer	19 June 2023
	Annual Report of the Pension Board 2022/23	Chair, Pensions Board	Deferred to 24 July 2023
	Pension Board Action Plan, Risk Register and Minutes of the Pensions Board held on 08 December 2022	Deputy Clerk	19 June 2023
	Audit and Risk Committee Work Plan 2022/23	Democratic Services Officer	19 June 2023
	<i>Committee Members' Private meeting with External Auditors</i>	<i>Grant Thornton</i>	19 June 2023
	<i>Workshop for Members on Statement of Accounts 2022/23</i>	<i>Treasurer</i>	19 June 2023
26 June 2023 [Authority]	Governance Statement 2022/23	Treasurer	Deferred to October 2023.
	Minutes of the Audit and Risk Committee held on 20 March 2023	Democratic Services Officer	
	Annual Report of the Audit and Risk Committee 2022/23	Chair, Audit and Risk	

24 July 2023	Minutes of the Audit and Risk Committee held on 19 June 2023	Democratic Services Officer	
	Statement of Accounts 2022/23 (Draft Unaudited Approval)	Treasurer	
	Treasury Management Annual Report 2022/23	Treasurer	
	Pension Board Action Plan and Risk Register	Deputy Clerk	
	Audit and Risk Committee Draft Work Plan 2023/24	Democratic Services Officer	
	Minutes of the Pension Board held on 29 March 2023	Democratic Services Officer	