

**MINUTES OF AUDIT AND STANDARDS COMMITTEE  
INFORMAL MEETING HELD ON 2 DECEMBER 2021 AT 10AM**

Present: Councillors C Atkins (Chair), R Berry, J Burnett, P Duckett, D Franks, J Gambold and I Shingler  
Councillor J Chatterley was present as an observer  
Mr J Atkinson, ACO G Chambers and Mr S Frank  
Ms S Rowlett, RSM

Please note: any decisions made by the Committee at this meeting need to be ratified by the Fire and Rescue Authority to take effect as the meeting was held informally.

21-22/ASC/29 Apologies

29.1 The Assistant Chief Officer and Treasurer advised that Mr N Harris from Ernst & Young was unable to attend the meeting.

21-22/ASC/30 Declarations of Disclosable Pecuniary and Other Interests

30.1 There were no declarations of interest.

21-22/ASC/31 Communications

- 31.1 The Committee received a communication from RSM regarding the change to its trading name from 'RSM Risk Assurance Services LLP' to 'RSM UK Risk Assurance Services LLP' as of 1 November 2021 to bring it in to line with other RSM Global member firms.
- 31.2 The Assistant Chief Officer and Treasurer reported on an invitation to opt into the Public Sector Audit Appointments (PSAA) scheme for the appointment of external auditors for a five year period commencing from 1 April 2023.

31.3 Members were reminded that the current external auditors Ernst & Young had been appointed by PSAA. During the audit of the 2019/20 Statement of Accounts, Ernst & Young had charged an additional fee of £33,484 which had not been accepted by the Authority and had accordingly been referred to the PSAA for consideration. PSAA had recently agreed that a fee of £13,300 was justified, therefore saving the Authority in the region of £20,000. Therefore, it was considered prudent to remain in the scheme.

**RESOLVED:**

1. That the communication from RSM be received.
2. That the Authority be recommended to accept the invitation from Public Sector Audit Appointments to opt into the sector-led option for the appointment of external auditors to principal local government and police bodies for five financial years from 1 April 2023.

21-22/ASC/32 Minutes

**RESOLVED:**

That the Minutes of the meeting held on 21 September 2021 be confirmed as a true record.

21-22/ASC/33 Public Participation

33.1 There were no members of the public present.

21-22/ASC/34 Internal Audit Progress Report

34.1 Ms S Rowlett of RSM introduced the report on progress made against the internal audit plan for 2021/22. Two areas of work were currently in progress: Debrief and Organisational Learning, which was in the quality assurance phase, and Key Financial Controls, for which the fieldwork would soon be completed. The results of this work would be submitted to a future meeting of the Committee.

34.2 The review of Risk Management had been postponed from November 2021 to March 2022 to enable new processes to be embedded.

34.3 The Committee received the Executive Summary of the HR Wellbeing audit. The audit had identified five medium priority actions as set out in the report.

34.4 In response to a question, Ms S Rowlett expressed the view that the Service was on a journey of improvement in relation to wellbeing and, in light of the COVID pandemic and the corresponding reprioritisation of resources, this did not vary significantly from the position of other organisations audited by RSM.

34.5 Ms Rowlett advised that she had now been appointed as the Head of Internal Audit for the Service, with Mr D Harris acting in a more senior advisory capacity. She would be assisted by Ms L Davies as audit manager.

**RESOLVED:**

That the report be received.

21-22/ASC/35 Review of the Effectiveness of the Fire and Rescue Authority's Internal Auditors

- 35.1 The Assistant Chief Officer and Treasurer introduced his report which asked the Committee to consider the effectiveness of the Fire and Rescue Authority's Internal Audit arrangements. This arose from a recommendation from the former Human Resources Policy and Challenge Group on 28 June 2018 to review the effectiveness of both internal and external audit.
- 35.2 The Assistant Chief Officer reported that RSM conformed with the Global Institute of Internal Auditors (IIA) International Professional Practice Framework (IPF). In doing so, internal audit services were required to have an External Quality Assessment (EQA) every five years. RSM was in the process of having its current assessment. The Service had received a survey and would contribute to the process.
- 35.3 RSM provided the Service with an Internal Audit Charter every year, as it formed part of the Internal Audit Strategy and was a requirement of the Public Sector Internal Audit Standards.
- 35.4 Neither the Assistant Chief Officer nor RSM had any issues of concern to bring to the attention of the Committee in relation to the effectiveness of the internal audit arrangements.
- 35.5 Ms S Rowlett confirmed that the External Quality Assessment was in its final stages and would be presented to the Committee at its next meeting.
- 35.6 Councillor Franks asked for greater detail as to the process for assessing the RAG ratings as set out in the Internal Audit Strategy by the Service's Corporate Management Team and Internal Audit and it was noted that this would be provided to the Committee at its next meeting.

**RESOLVED:**

That the report be received and the effectiveness of the Fire and Rescue Authority's Internal Audit arrangements be confirmed.

21-22/ASC/36 Internal Audit Actions Update

- 36.1 Mr S Frank, the Head of Strategic Support and Assurance, submitted a summary of actions arising from internal audit reports over the last three financial years to date and from the current Annual Governance Statement; together with any exception report on those actions currently in progress, progress to date on current action plans, proposals to extend the original timing for completion and those that have been completed since the last meeting.

- 36.2 The Committee was advised that there were a total of 8 High Priority, 57 Medium Priority and 38 Low Priority actions that had been agreed over the reporting period, of which, there were no High, 4 Medium and 1 Low Priority actions still in progress.
- 36.3 Although significant progress had been made, there were actions arising from the Procurement follow up audit relating to the quarterly procurement reporting and annual summary reporting to the Service's Corporate Management Team for which extension requests were being sought. This was due to the post of Procurement Manager being vacant between March and August 2021. The proposed revised timescales were for the quarterly procurement reporting to commence from January 2022 and an annual report to be presented to Corporate Management Team in April 2022.
- 36.4 In response to a question about the RAG status of actions arising from the Asset Management – Asset Tracking audit, the Assistant Chief Officer and Treasurer advised that the major issue affecting this area was resourcing and that during the pandemic period, resources had been diverted from project work to ensure that operational requirements could be met. This issue also affected actions relating to fleet.

**RESOLVED:**

That progress made to date against action plans be acknowledged and the extension requests relating to the Procurement follow up audit be approved.

21-22/ASC/37 Review of 'Monitored policies'

- 37.1 The Assistant Chief Officer and Treasurer reported on the review of the policies on Protected Reporting (Whistleblowing), Anti-Fraud, Bribery and Corruption Policy incorporating the National Fraud Initiative (NFI), Use of Regulation of Investigatory Powers Act 2000 (RIPA) and the Authority's Complaints and Compliments process.
- 37.2 The Committee was provided with an update regarding the Protected Reporting (Whistleblowing) Policy. An anonymous letter had been received and the Monitoring Officer dealt with the matter in accordance with the Policy.
- 37.3 There had been no cases of suspected fraud reported under the Anti-Fraud, Bribery and Corruption Policy, no cases identified under the National Fraud Initiative matching process and no applications for use of directed surveillance during the reporting period.
- 37.4 Information on compliments and complaints recorded in 2020/21 and 2021/22 (to 31 October 2021) were included as appendices to the report.

**RESOLVED:**

That the arrangements in place for the review of the 'monitored policies' be noted.

### 21-22/ASC/38 Report on Registration of Interests and Gifts/Hospitality

38.1 The Monitoring Officer presented his annual report on the registration of interests and gifts/hospitality by Members and Officers during the past year. There had been one entry made in the gifts and hospitality register during the reporting period.

#### **RESOLVED:**

That the contents of the report be noted.

### 21-22/ASC/39 Corporate Risk Register - Exception Report

- 39.1 The Head of Strategic Support and Assurance presented a report which provided an update on the continued evolution of the Service's Corporate Risk Register following the introduction of a new Business Management Information System (BMIS). Members were being asked for their views on the aims underpinning risk management in the Service, which were as follows: protect the assets of the Service; ensure service continuity; and facilitate innovation and opportunity.
- 39.2 The Service had retained its eight high-level corporate risks with a separate COVID-19 risk register. The risks were underpinned by a number of control measures and the RAG ratings given to risks were assessed by considering both the likelihood and the impact. At the time of reporting, one risk was identified as very high, two as high and five as moderate.
- 39.3 The new Business Management Information System represented a step change in accountability, efficiency, clear audit trails, linkages, live updates and integration. All risk owners had undertaken update training on the new system. It was suggested that Members receive a demonstration of the new system and this was supported by Members of the Committee.
- 39.4 The Head of Strategic Support and Assurance provided a brief update on the mitigating actions taken in respect of the corporate risks and it was noted that the Committee would be receiving the full Risk Register at its next meeting.
- 39.5 In discussing the current aims, Members recognised that the Service's workforce was its most important asset. It was agreed that the aims would require more careful consideration and therefore this would be discussed in greater detail at the Committee's next meeting, with any suggestions in the interim to be directed to the Head of Strategic Support and Assurance or the Assistant Chief Officer and Treasurer.

**RESOLVED:**

1. That the effective development and application of the Corporate Risk Register be noted.
2. That the aims for Risk Management be considered in more detail at the Committee's next meeting to ensure that they were still relevant.
3. That Members receive a presentation on Corporate Risk to include a demonstration of the new Business Management Information System (BMIS) that went live on 1 November 2021.

21-22/ASC/40 Work Programme 2021/22

- 40.1 The Committee considered the proposed work programme for 2021/22.
- 40.2 Ms S Rowlett commented that the Internal Audit Strategy to be submitted to the next meeting of the Committee covered the period 2022/23 -2024/25.
- 40.3 The Assistant Chief Officer and Treasurer suggested that a further review of the Service's Protected Reporting (Whistleblowing) Policy be undertaken arising from matters discussed with the Monitoring Officer and that an updated version be submitted to the next meeting of the Committee for approval.

**RESOLVED:**

1. That the Committee's Work Programme for 2021/22 be received.
2. That an item on the review of the Protected Reporting (Whistleblowing) Policy be added to the work programme for the Committee's next meeting on 3 March 2022 and that it be noted that the Internal Audit Strategy to be considered at that meeting covered the period 2022/23- 2024/25.

The meeting ended at 11.06 am