

MINUTES OF THE AUDIT AND STANDARDS COMMITTEE
INFORMAL MEETING HELD ON 12 JANUARY 2023 AT 10.00am

Present: Councillors C Atkins (Chair), J Burnett, D Franks, J Gambold, R Berry and I Shingler
Mr G Britten (Monitoring Officer), ACO G Chambers, Ms L Fair, Mr S Frank and Mrs N Upton
Mrs D Hanson, Ernst & Young
Mrs 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.

22-23/ASC/28 Apologies

28.1 Apologies for absence were received from Councillor McVicar. Councillor Berry apologised for his late arrival which was due to technical difficulties in joining the virtual meeting.

22-23/ASC/29 Declarations of Disclosable Pecuniary and Other Interests

29.1 There were no declarations of interest.

22-23/ASC/30 Communications

- 30.1 The Committee received RSM's Emergency Services News Briefing from December 2022. The Chair recommended the video on "Economic and Social Value of the UK Fire and Rescue Services Methodology", which she commented was very informative.
- 30.2 The Assistant Chief Officer and Treasurer highlighted the Early Intervention Implementation Framework which had been launched. He confirmed that the Prevention Team was working on delivering effective early intervention programmes that would meet the needs of young people, communities and key stakeholders.

- 30.3 The Assistant Chief Officer and Treasurer advised that the Fire Standards Board had launched a new standard and this was currently being reviewed. He also mentioned that the inaugural meeting of the Digital and Data Board had taken place this week and was chaired by the CFO.
- 30.4 The Assistant Chief Officer and Treasurer also mentioned the section in the briefing concerning potential cyber attack. The necessary steps were being taken to address the issues. The Service had undertaken the Cyber essentials training and had completed a self-assessment to identify any gaps in the system. The FRS had now received its external Cyber awareness accreditation. The actions following the self-assessment had been taken account of in the budget setting process. The 2nd Budget workshop for Members would be held the following day and they would receive an update on the actions being taken. The FRS was one of thirteen Fire Authorities which had been chosen to examine its preparedness for potential cyber attack. It was reported that mandatory cyber awareness training had been rolled out for staff to undertake. Over 80% of staff had now completed the training and the remaining staff would be contacted to request that they complete the training.
- 30.5 The Head of Strategic Support and Assurance referred to the section in the briefing concerning “Economic and Social Value of the UK Fire and Rescue Services Methodology” and advised that a review had been undertaken by the University of Merseyside and that there were currently around 26 reports on the subject in circulation. A toolkit was to be released in the Spring 2023. He added that the FRS was “ahead of the game” in the work that it had been undertaking and that for every £1 invested, the community received over £7 in social value.
- 30.6 The Assistant Chief Officer and Treasurer (ACO&T) referred the Committee to the letter which had been received from Public Sector Audit Appointments (PSAA) which advised that the FRS would have a new external auditor, KPMG, with effect from the 2023/2024 Accounts, for a five year period. Mrs Hanson (Ernst & Young) advised that they were working through the plans for current audits and that they would then start work on the handover plans with KPMG. In response to a question ACO&T confirmed that going back a few years, the FRS would have tendered the contract for the external auditor, however in more recent years the PSAA undertook the work of appointing Auditors on behalf of most public bodies. This enabled a competitive price to be negotiated. Therefore, the FRS was allocated its external auditor. Councillor Burnett commented that she understood the benefits of the arrangement, however was concerned about the ability to ensure that a quality service was provided, which she thought should be a decision of the FRA. Mrs Hanson responded that the current auditor was not able to comment on the appointment. She added that PSAA was able to consider any independence issues and appoint to geographical areas. PSAA would have considered “quality” as part of their tender process. Councillor Franks commented that a discussion on this matter had been held a while ago by the FRA and it had been decided to continue with the PSAA arrangement. ACO&T added that the Committee had an annual review of the effectiveness of the audit. If they were not content with an auditor there was an opportunity to take any issues to PSAA.

22-23/ASC/31 Minutes

RESOLVED:

That the Minutes of the meeting held on 29 September 2022 be confirmed as a true record, subject to in Minute 22.1 to amend Mrs Hanson's post title to Audit Partner rather than Audit Manager.

22-23/ASC/32 Public Participation

32.1 There were no members of the public present.

22-23/ASC/33 Internal Audit Progress Report (RSM)

33.1 Mrs S Rowlett of RSM introduced a report on progress made against the internal audit plan for 2022/23. She advised that two audits had been finalised on: ICT – Digitalised Systems User Proficiency; and Follow Up Part Two 3.22/23. She mentioned that the Appendix which had been attached should be ignored as this was an earlier version. The correct Appendix was attached to the report for the next agenda item. It was planned to complete all of the internal audit work before the financial year end. Mrs Rowlett highlighted a number of areas as set out in the report. She confirmed the Final – Reasonable Assurance audit opinion.

33.2 ACO&T advised that a large suite of on-line training tools were now available and going forwards, an ICT officer had been allocated to assist at local Fire Stations with their on-line training. Additional ICT equipment was being rolled out as required.

RESOLVED:

That the submitted report be received.

22-23/ASC/34 Internal Audit Follow Up Report

34.1 Mrs S Rowlett of RSM presented a second follow up review to assess the progress made by the Service in implementing previously agreed management actions reported to the Committee.

34.2 Mrs Rowlett advised that the report was the usual annual follow up. She highlighted the progress on actions as set out in the RSM report.

34.3 In response to a question concerning “key financial controls not being implemented”, Mrs Rowlett advised that this was the case referred to in the report where evidence had not yet been provided. Ms L Fair, Business Support Manager, commented that this evidence would be available shortly, following its collation.

RESOLVED:

That the submitted report be received.

22-23/ASC/35 Internal Audit Actions Update

35.1 The Assistant Chief Officer and Treasurer’s report presented the Committee with a summary of actions arising from internal audit reports over the last three fiscal years together with one exception report, progress to date on current action plans, proposals to extend the original timing for completion and those that had been completed since the last meeting. Ms L Fair advised that the report was good news and that a number of actions had been closed off since the last meeting.

35.2 An extension for an action related to Asset Management – Asset Tracking was requested, as the asset tracking for equipment had been completed, but sickness within the Team had prevented the movement of stock via the system that was due in December 2022. An extension was requested to March 2023. ACO&T had sought, and had received, assurance that the revised timeframe would be achieved, as access was being provided to another officer to enable the project to be completed.

RESOLVED:

1. That the progress made to date against action plans be acknowledged.
2. That the Authority be recommended to approve the extension request for Asset Management – Asset Tracking from December 2022 to March 2023.

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22-23/ASC/36 Review of the Effectiveness of the Fire & Rescue Authority's Internal Auditors

36.1 Members of the Committee were asked to consider the effectiveness of the Fire and Rescue Authority’s Internal Audit arrangements. Ms L Fair referred to the credentials of RSM, as internal auditors.

36.2 ACO&T advised that the report being considered was an annual report which had been requested a number of years ago by a different Group. He added that RSM had had their own external review, with the next one being due in 2026.

36.3 Mrs S Rowlett of RSM confirmed that the external review was undertaken every five years and at the last review they had received the highest level of assurance.

RESOLVED:

That the report be noted.

22-23/ASC/37 Review of Monitored Policies

37.1 The Monitoring Officer (MO) submitted a report on the review of the policies on Protected Reporting (Whistleblowing), Anti-Fraud, Bribery and Corruption 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 MO highlighted that there had not been any incidences of whistle blowing or any fraud detected in the reporting period. He referred the Committee to an error in paragraph 5.4 of the report, that annual returns on the use of RIPA were actually made to the Surveillance Commissioner and not the Information Commissioner.

37.3 Referring to the Complaints and Compliments Policy, there had been a reduction in the number of complaints in the reporting period and the figures were on track to halve the number received/upheld.

37.4 The MO asked the Committee for their thoughts on aligning this annual report to the financial year end, which would aid comparison. Members were content with the suggestion.

RESOLVED:

1. That the arrangements in place for the review of the monitored policies be noted.
2. That review of the monitored policies report be re-aligned with the financial year end and brought to Committee on a date to be decided by officers.

22-23/ASC/38 Report on Registration of Interests and Gifts/Hospitality

38.1 Mr G Britten, the Monitoring Officer (MO), presented a report on the registration of interests and gifts/hospitality by Members and Officers during the past year.

- 38.2 The MO referred the Committee to a typographical error at paragraph 2.2 of the report: “BFRS senior personnel are also required to register any gifts, hospitality, fees or other rewards of value they receive.” This should also refer to the requirement to register anything offered, not just received.
- 38.3 ACO&T responded to a question concerning his registration of hospitality from Motorola, that this applied to himself and the ICT Manager who had put the FRS in for an award relating to the conversion to a fully “Cloud” based system. Motorola, as the provider, had also put themselves forward and both had been short listed for the award. They had attended an International Critical Communications Conference as part of the award event, where ACO&T had presented to Journalists on how the FRS was using the communications. Motorola had paid for the flights and one night’s accommodation. The costs had not been checked, however this could be determined if the Committee wished. Members were in agreement that an estimated cost should be provided for the sake of public transparency.
- 38.4 ACO&T also responded to a question concerning the Head of ICT’s purchase of a ticket to a rugby match, that he had already bought a ticket and subsequently the ICT Team had been offered hospitality at the same match. The Head of ICT was the only person to accept the hospitality and did not therefore use the ticket he had purchased. He estimated that the cost of hospitality would have been £180. The hospitality had been offered by a company to which the FRS had already awarded a contract. He had been told that in future he would need to liaise with management before accepting such an offer.
- 38.5 In response to a question concerning how the policy was publicised to officers, the ACO&T advised that policies were circulated to officers on a regular basis, however it was appropriate to highlight the gifts/hospitality policy just before Christmas each year. It had been decided to increase communication in this area. Ms L Fair added that she was working on a project of policy rationalisation and that a part of this would be to move to having policies available electronically rather than being paper based, which would provide easier access. A new training module was also being created for new staff which would also be used to update current staff.
- 38.6 In response to a further question the MO confirmed that the minimum amount to register gifts/hospitality by Members was £50, which had been increased from £25. There was currently no threshold for officers, however the strong advice was that it was always good to declare any amount offered.

RESOLVED:

1. That the contents of the report be noted.
2. That the estimated level of hospitality received from Motorola be publicised and that officers be reminded of the policies that needed to be adhered to, on a regular basis.

22-23/ASC/39 Work Programme

39.1 The Committee considered the proposed work programme for 2022/23.

RESOLVED:

That the Committee's Work Programme for 2022/23 be received.

22-23/ASC/40 Corporate Risk Register - Exception Report

RESOLVED:

That, pursuant to Sections 100A(2) and 100A(4) of the Local Government Act 1972, the public be excluded from the discussion of the following item on the grounds that the matters to be discussed involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act (as amended):

Item

Corporate Risk Register

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The meeting ended at 11:09am