

**MINUTES OF THE AUDIT AND STANDARDS COMMITTEE  
MEETING HELD ON 25 SEPTEMBER 2018 AT 10.00am**

Present: Councillors Headley (Chair), Chapman, Chatterley, Downing and Duckett

Mr J Atkinson, ACO Z Evans and Mr G Chambers

Ms K Storey, Ernst & Young

Mr D Harris, RSM

Mr B Standing, Browne Jacobson LLP

18-19/AS/016 Apologies

16.1 Apologies for absence were received from Cllr Waheed.

18-19/AS/017 Declarations of Disclosable Pecuniary and Other Interests

17.1 There were no declarations of interest.

## 18-19/AS/018 Communications

- 18.1 The Assistant Chief Officer referred to RSM's Emergency services sector update September 2018 that had been circulated after the publication of the agenda.
- 18.2 The briefing contained a section on "the dark art of collaboration assurance". The Assistant Chief Officer advised that progress on the collaboration projects that the Service was involved in was reported regularly to Members at meetings of the full Authority. RSM, the internal auditors, had also undertaken an audit of Collaboration.
- 18.3 The Assistant Chief Officer reported that she would pass the briefing on to the Blue Light Collaboration Board for information.
- 18.4 The first question for the Committee's consideration under the Fire sector section of the update was *"Are you satisfied that your statistics are in line with national trends, and if not, do you have any mechanisms to ensure the outlying areas are investigated and action taken?"*
- 18.5 The Committee was advised that operational statistics were reported to and scrutinised by the Service Delivery Policy and Challenge Group.
- 18.6 The Committee considered further questions on the recent HMICFRS inspection as follows: *"Have you considered how your service will use the inspections as a source of assurance and ensure any potential duplication of assurance is minimised?"* and *"Has the impact on resources within the service been considered and planned for?"*
- 18.7 The Assistant Chief Officer reported that it was not yet fully known what the outcome from the inspections would be as the inspection reports from the first tranche were still awaited. This would be investigated further when the reports were published. The issue of duplication of effort has been considered and the equality peer review postponed until it is known how much will be covered by the HMICFRS inspection, instead an internal assessment had been completed against the framework.
- 18.8 The significant impact on the Service's resources in supporting the inspection was recognised.

- 18.9 In response to a question, the Committee was advised of a wide range of collaborative projects with other fire and rescue services. These included the ICT Shared Service, the sharing of Area Commanders with Cambridgeshire Fire and Rescue Service, the Fire and Rescue Indemnity Company with eight other fire and rescue services, the procurement of Personal Protective Equipment (PPE) and Fleet procurement with a large number of other fire and rescue services to name a few.
- 18.10 In response to a question it was confirmed there were currently no plans in place to merge with another fire and rescue service, although it was noted that mergers had taken place in other parts of the country.
- 18.11 Councillor Downing reported on the CIPFA conference on effective contract management that he had recently attended. He had circulated the slides to other Members of the Authority for information and would be producing notes so that this issue could be discussed at the forthcoming Member Development Day.

**RESOLVED:**

That the communication be received.

18-19/AS/019 Minutes

**RESOLVED:**

That the Minutes of the meeting held on 6 July 2018 be confirmed and signed as a true record.

18-19/AS/020 Public Participation

20.1 There were no members of the public present at the meeting.

#### 18-19/AS/021 Annual Audit Letter for year ended 31 March 2018

- 21.1 Ms K Storey, Ernst & Young, submitted the Annual Audit Letter for the Year Ended 31 March 2018 which communicated the key issues following the completion of the audit procedures carried out by Ernst & Young, as was required under the National Audit Office's Code of Practice.
- 21.2 It was noted that the content of the letter had been considered by the Committee at its last meeting when it had received the Annual Audit Results Report. This included discussion around the uncorrected misstatement of £161,000 arising from a better than forecast outturn for the Bedfordshire Pension Fund.
- 21.3 Ms Storey also confirmed that there would be no change to the annual audit fee, as reported at the last meeting.

#### **RESOLVED:**

That the submitted Annual Audit Letter dated August 2018 be received.

#### 18-19/AS/022 Internal Audit Progress Report

- 22.1 Mr D Harris, RSM, introduced the report on progress made against the internal audit plan for 2018/19.
- 22.2. He advised that the governance audit was still in draft following a meeting with the Chief Fire Officer and it was anticipated that the final draft would be issued by the end of that week.
- 22.3 The Use of Risk Management Information was also currently in progress, with dates set for four of the remaining five audits in the programme.
- 22.4 Information was awaited from Cambridgeshire Fire and Rescue Service in relation to the audit of cyber security. It may be that the two Services' own assurance arrangements resulted in this being removed from the audit programme.
- 22.5. It was noted that a new Head of ICT had recently been appointed and one of the key tasks of the role would be to ensure that the appropriate cyber security arrangements were in place.

- 22.6 The Chair commented that the Committee must be kept informed of the assurance arrangements, regardless of whether this was through internal audit or management controls.
- 22.7 In response to a question, Mr Harris expressed the view that the two issues that could have the most significant impact on the Service in the future were collaboration and ICT.

**RESOLVED:**

That the report be received.

18-19/AS/023 Local Government Act 1972, Schedule 12A, Paragraph 3 of Part 1: Exclusion of the Public

**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

Pensions Investigation

*(Please note: the Minute on this item is attached as a confidential appendix to these Minutes.*

*Councillor Duckett left the meeting during the discussion of the item and Councillor Chapman left at the conclusion of the item.*

*Following the conclusion of this item, the Committee returned to public session.)*

18-19/AS/024 Audit and Governance Action Plan Monitoring - Exception Report and Summary Analysis

- 24.1 The Assistant Chief Officer presented the Committee with a summary statistical analysis of actions arising from internal audit reports over the last three financial years to date and from the Authority's current Annual Governance Statement.

24.2 A total of one high priority, twenty-five medium priority and forty-eight low priority actions had been agreed over the reporting period, of which one medium priority and two low priority actions were still in progress.

24.3 The three actions arising from the Annual Governance Statement were still in progress.

**RESOLVED:**

That the report be received.

18-19/AS/025 Review of the Fire Authority's Effectiveness

25.1 The Assistant Chief Officer introduced her report which set out proposals for the review of the Fire and Rescue Authority's effectiveness in 2018/19.

25.2 It was noted that only two questionnaires had been completed as part of the process in 2017/18.

25.3 It was suggested that, as there was a governance review in progress, and as it was likely that there would be a number of new Members appointed onto the Authority in 2019, the review of the Authority's effectiveness should not take place this year, and further consideration be given to the frequency of review next year.

**RESOLVED:**

That the Annual Review of the Fire Authority's Effectiveness be deferred for one year.

18-19/AS/026 Corporate Risk Register and Review of Corporate Risk Management

26.1 The Assistant Chief Officer presented an update on the review of the Corporate Risk Register. All changes and updates to risks had been considered by the relevant Policy and Challenge Group.

26.2 There had been four updates to risks in the Corporate Services Risk Register. There had been no changes and no updates to the other Risk Registers.

**RESOLVED:**

1. That the continuing development of the Service's Corporate Risk Register be acknowledged.
2. That it be acknowledged that the appropriate Policy and Challenge Groups have considered and reviewed controls proposed to reduce the identified risks.

18-19/AS/027 Work Programme

27.1 The Committee considered the proposed work programme for 2018/19.

27.2 It was noted that the Committee had agreed to receive a report on abatement earlier in the meeting and this was to be programmed for its next meeting.

**RESOLVED:**

That the Committee's Work Programme for 2018/19 be received, with the inclusion of a report on abatement for the Committee's meeting on 6 December 2018.

The meeting closed at 12.32pm