

## MINUTES OF AUDIT AND STANDARDS COMMITTEE MEETING HELD ON 5 DECEMBER 2019

Present: Councillors M Headley (Chair), K Choudhry, P Duckett, D Franks and J Gambold  
Mr J Atkinson, ACO G Chambers, SOC G Jeffery, Mr P Hughes and Mr M Dix  
Mrs S Rowlett, RSM

### 19-20/ASC/27 Apologies

- 27.1 Apologies for absence were received from Councillors Berry and Shingler.
- 27.2 The Committee was advised that Mr N Harris from Ernst & Young was unable to attend the meeting.

### 19-20/ASC/28 Declarations of Disclosable Pecuniary and Other Interests

- 28.1 There were no declarations of interest.

### 19-20/ASC/29 Communications

- 29.1 The Assistant Chief Officer advised that, following the conclusion of the external audit, the statement of accounts had been formally signed off on 20 November 2019. No amendments requiring reporting had been made. Given the significant delays experienced this year, the Service was liaising with Ernst & Young to schedule an early audit for 2019/20.
- 29.2 The Committee received a briefing entitled Trust in the Boardroom from RSM. Mrs Rowlett provided a summary of the briefing. This covered compliance, transparency, behaviour and skills and impact. The briefing also explained how to “future proof” governance arrangements.
- 29.3 In relation to the Nolan Principles, the Assistant Chief Officer highlighted that the Authority would be presented with a draft of the Community Risk Management Plan at its next meeting and that the Service was refreshing its values, with Members having an opportunity to comment on these.

### **RESOLVED:**

That the communication be received.

### 19-20/ASC/30 Minutes

#### **RESOLVED:**

That the Minutes of the meeting held on 15 October 2019 be confirmed and signed as a true record.

### 19-20/ASC/31 Public Participation

31.1 There were no members of the public present.

### 19-20/ASC/32 Internal Audit Progress Report

32.1 Mrs Rowlett of RSM presented a report on progress made against the internal audit plan for 2019/20. One audit report had been completed since the last meeting of the Committee. This was on ICT Cyber Security. There had been no changes in the audit plan and all audits would be progressing in accordance with the agreed schedule.

32.2 The audit of Cyber Security was discussed in private session following a resolution to pass Schedule 12a of Part 1 of the Local Government Act 1972.

#### **RESOLVED:**

That the report be received.

### 19-20/ASC/33 Audit and Governance Action Plan Monitoring - Exception Report and Summary Analysis

33.1 The Assistant Chief Officer provided Members 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, together with exception reports on actions currently in progress, progress to date on current action plans and proposals to extend the original timing for completion.

33.2 There were no extension requests to consider at the meeting.

33.3 Actions were still in progress in relation to the following audit areas: risk management (2), stock control (1), business continuity (2) and property- statutory compliance (2).

33.4 It was anticipated that the actions scheduled for completion in December 2019 would meet this target.

- 33.5 In relation to a question on solar panels, the Assistant Chief Officer reported that solar panels had previously been installed at Headquarters and at Bedford Community Fire Station. The installation of further panels had not been pursued as the panels had a significant payback period.
- 33.6 The Committee was advised that the Service was planning to refresh its environmental strategy and the installation of additional solar panels could be considered when the property asset management plan was submitted to Members for approval.

**RESOLVED:**

That progress made to date against action plans be acknowledged.

19-20/ASC/34 Annual Review of Effectiveness of the Internal Audit Arrangements

- 34.1 The Committee considered a report on the effectiveness of the Fire and Rescue Authority's Internal Audit arrangements. The original recommendation to review the effectiveness of both the internal and external auditors was suggested by the former Human Resources Policy and Challenge Group following national concerns about the top four auditing firms.
- 34.2 The first review of the effectiveness of the internal auditors had taken place in December 2018.
- 34.3 The review of the effectiveness of the Authority's external audit arrangements would take place at the Committee's next meeting.
- 34.4 As part of the review, RSM had submitted information including its conformance with the Institute of Informal Auditors (IIA) Standards and its Internal Audit Charter.
- 34.5 Mrs Rowlett advised that there had been no significant changes since the previous year's review. RSM was subject to an external quality assessment every five years and this was due to take place sometime in 2020/21. She assured Members that this would be submitted to the Committee as soon as it was available.

**RESOLVED:**

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

19-20/ASC/35 Review of 'Monitored Policies'

- 35.1 The Committee received 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.

35.2 The Assistant Chief Officer reported that there had not been any whistleblowing incidents, cases of suspected fraud or requests made for covert surveillance during the past year. There were no NFI cases to follow up.

35.3 The report also included as an appendix a summary of the compliments and complaints received during the year.

**RESOLVED:**

That the arrangements in place for the Protected Reporting (Whistleblowing) policy, the 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 and note arrangements for their review be acknowledged.

19-20/ASC/36 Report on Registration of Interests and Gifts/Hospitality

36.1 The Secretary and Monitoring Officer introduced the annual report on the registration of interests and gifts/hospitality by Members and Officers during the past year.

36.2 All Members had completed their register of interest forms which had been reviewed and published on the Service's website.

36.3 There had been four entries made into the gifts and hospitality register during the past year.

**RESOLVED:**

That the report be received.

19-20/ASC/37 Statement of Assurance

37.1 Strategic Operational Commander Jeffery submitted the Service's Annual Statement of Assurance for 2018/19 for approval. The publication of such a statement was a requirement of the Fire and Rescue National Framework.

37.2 The statement included detailed information on financial assurance, governance framework, operational assurance and future improvements.

37.3 It was suggested that the section on governance (section 3.4) could be strengthened by explaining why the Authority was trialling having only full Authority and Audit and Standards Committee meetings, with no Policy and Challenge Groups. Members expressed the view that this arrangement was being trialled to involve Members more widely of all areas of the Service and to streamline the democratic process.

- 37.4 Mrs Rowlett commented that even though reference was made to the internal arrangements in sections 3.2 and 3.6, the report did not include the internal audit opinion and suggested that it be included.
- 37.5 In response to a question about the drone, the Committee was advised that this was fully licensed and that the Service worked closely with the Police to ensure that the drone was used appropriately and effectively.
- 37.6 The Chair suggested that the bullet point referring to electronic membership applications on the Service website in section 6 should include the scheme the membership related to.

**RESOLVED:**

That the Chair of the Committee be authorised to sign off the Statement of Assurance for reporting to the full Fire and Rescue Authority Meeting, subject to the following changes being made: additional text being included to explain why the Authority is trialling operating without Policy and Challenge Groups, the inclusion of the Internal Audit opinion in the section covering internal audit and clarification of the bullet point in section 6 about membership in the Dementia Protocol.

19-20/ASC/38 Corporate Risk Register Progress Update

- 38.1 Strategic Operational Commander Jeffery submitted his report which provided an update on the progress made in reviewing the Service's Corporate Risk Register.
- 38.2 Since the last meeting of the Committee, all risks had been reviewed by the Service's Corporate Management Team and risk owners. The risk owners had been updated to reflect the recent restructure and the layout of the risk register had been amended.
- 38.3 An example of how the updated register would look was attached as an appendix to the report. The headings had been amended to set out the inherent, residual and target risk levels and details about all actions being taken to mitigate against the risk were now being included in the register submitted to Members.
- 38.4 The updated risk register would be subject to a thorough review by the Corporate Management Team and considered at a workshop in January 2020 before being resubmitted to the Committee at its meeting on 26 March 2020. It would also be informed by the initial outcomes of an internal audit scheduled for March 2020.

**RESOLVED:**

That the continuing development of the Service's Corporate Risk Register be acknowledged.

19-20/ASC/39 Review of Work Programme 2019/20

39.1 The Committee considered its updated work programme for 2019/20.

39.2 Mrs Rowlett advised that the Internal Audit Strategy would cover the period 2020/21 to 2022/23.

**RESOLVED:**

That the Committee's Work Programme for 2019/20 be received.

The meeting ended at 11.01 am