

Minutes of the Audit and Performance Management Committee

**26 March, 2012 at 1.30pm
at Fire Service Headquarters, Birmingham**

Present: Councillor Turner (Chair);
Councillor Griffiths (Vice-Chair);
Councillors Docker and Singh
Mr Ager (Independent Member).

Councillor Douglas Maul (Lead Member for
Performance Management)

Apology: Councillor Tranter.

8/12 Minutes

Resolved that the minutes of the meetings held on 28 November, 2011 and 9 January, 2012 be approved as a correct record.

9/12 An Analysis of Progress of Corporate Performance Against 'The Plan' – Quarter Three 2011/2012

The Committee noted an analysis of organisational performance against 'The Plan' for the third quarter of 2011/2012.

Targets were being met against a range of performance indicators. Performance was below target on the number of fires in non-domestic premises; the number of arson rubbish fires and the number of deaths in accidental dwelling fires.

Work was being undertaken on data sharing across agencies to enable vulnerable groups to be targeted more effectively. The Chair stressed the importance of information sharing and the benefits it would have on the reducing the costs of fire deaths.

Audit and Performance Management Committee – 26 March, 2012

It was noted that local authorities were boarding up vacant premises less and less due to financial constraints, which was having an effect on the number of fires on non-domestic premises. Operational crews continued to work with fire safety crews on educating premise owners through the Keep Your Business in Business scheme.

Of the 13 strategic objectives set out in The Plan, nine were on target.

Members noted that the risk rating level and overall score of the 13 corporate risks contained within the Corporate Risk Register had remained unchanged since last reported to the Committee. However, the direction of travel was moving up for two risks in relation to the effective delivery of the core objectives of prevention, protection and response and responding effectively as a result of insufficient assets and so these risks were being monitored more closely.

10/12 Review of Organisational Assurance

Further to Minute No. 4/12 of 9 January, 2012, the Committee noted an update on progress on the implementation of the recommendations that had come out of the review of organisational assurance that had been conducted in 2011.

Members discussed the sharing of services as a means to make savings and noted that it was not common amongst fire and rescue services at present. This was under continual review at West Midlands though in order to ensure value for money.

11/12 Audit Plan 2011/2012

Approval was sought to the Audit Commission's Audit Plan and proposed fees for 2011/2012. The plan set out how the Audit Commission intended to undertake audit work to support the audit of financial statements and its conclusion on the Authority's arrangements to secure economy, efficiency effectiveness.

The plan was based upon the Audit Commission's risk based approach to audit planning which considered the risks relevant to both the audit of accounting statements and the value for money conclusion.

Audit and Performance Management Committee – 26 March, 2012

Resolved that approval be given to the Audit Commission's Plan and fees for 2011/2012.

12/12 Internal Audit Risk Management Audit

The Committee noted the findings and recommendations of the annual Internal Audit report on risk management.

Three 'significant' and four 'merits attention' recommendations had been made and actions to address these had been agreed.

13/12 Strategy for Internal Audit – 2012/13 to 2014/2015

Approval was sought to the Internal Audit Strategy for 2012/13 to 2014/15.

The Strategy was not static but was a dynamic plan, which would be updated periodically to reflect changes in the risks faced by the Authority. In the period covered by the strategy, the priority and frequency of audit work would be subject to amendment in order to recognise alterations in the audit needs assessment/risk analysis, caused by changes within the Authority and the requirements of the Audit Committee and senior managers.

During the year regular meetings would be held with senior managers and the external auditors to review the plan and discuss the scope, nature and timescales of planned reviews. Any changes to the strategy would be brought before the Committee for approval.

Resolved that the Internal Audit Strategy for 2012/2013 to 2014/15 be approved.

14/12 Internal Audit Progress Report

The Committee noted a progress report on the work of internal audit in delivering the 2011/2012 Internal Audit Plan.

In terms of key issues arising, a programme of visits to five fire stations had identified a number of failures in compliance with brigade standing orders on the management of fuel. An action plan had been developed to address the concerns and would be implemented on all fire stations.

Audit and Performance Management Committee – 26 March, 2012

Resolved that a further report be submitted to the next meeting setting out progress on the implementation of the action plan in relation to the management of fuel on fire stations.

15/12 Government Response to Future of Local Public Audit Consultation

The Committee noted the government's response following its consultation on the future of local public audit.

Following its decision to abolish the Audit Commission the government had set out its vision for the audit of public bodies in the Future of Local Audit Consultation publication. The consultation had set out how the government intended to redesign the audit public framework and set out its vision and principles for the future delivery of local public audit.

The Committee considered the detail of the response and the proposed changes following the consultation.

In preparation for the transfer of the Audit Commission's public body audit work to private practice, the Audit Commission had commenced the process of outsourcing its in-house practice. In lieu of the contract award the commission had proposed a scale fee of £77,723 and work programme for the delivery of the 2012/13 audit work. It was anticipated that the newly appointed private practice auditors would be in place by September 2012, which would enable them to undertake the 2012/13 year audit work.

16/12 Member Skills Audit Results

The Committee noted the results of the Audit Committee Member Skills Audit.

Officers were requested to look at providing training in the new municipal year to address the skills gaps identified.

Audit and Performance Management Committee – 26 March, 2012

17/12 Chartered Institute for Public Finance and Accountancy (CIPFA) Audit Committee Update No. 7

The Committee noted Update No. 7 from CIPFA on helping audit committees to be effective. The issue covered assurance planning, risk outlook for 2012 and the government's response to the future of local public audit.

Members discussed the possibility of inviting CIPFA in-house to provide some group training and the Audit Services Manager undertook to look into this.

18/12 Work Programme 2011/2012

The Committee noted its work programme for 2011/2012.

19/12 Update on Topical, Legal and Regulatory Issues

There were none.

(The meeting ended at 3.17 pm)

<p><i>Contact Officer: Stephnie Hancock Democratic Services Unit Sandwell Metropolitan Borough Council 0121 569 3189</i></p>
--