

## **Minutes of the Audit Committee**

**31<sup>st</sup> March, 2008 at 2.00 pm**  
**at the Fire Service Headquarters, Birmingham**

**Present:** Councillor Wild (Vice Chair) – in the Chair;  
Councillors Spence and Turner.

**Apology:** Councillor Gazey.

5/08 **Minutes**

**Resolved** that the minutes of the meeting held on 28<sup>th</sup> January, 2008, be approved as a correct record.

6/08 **Internal Audit – Progress Report**

Further to Minute No. 4/08, the Committee received assurances that electronic data relating to payroll was safely stored and backed up daily, and that suitable controls were in place with regard to access and approval of changes to payroll data.

7/08 **Strategy for Internal Audit – 2008/09 to 2010/11**

The Committee considered a proposed Internal Audit Strategy for 2008/009 to 2010/11.

The Committee referred to the proposal to audit sickness/absence management only once per year and asked if this was sufficient. Officers explained that sickness levels were monitored regularly at a local level in accordance with Brigade Standing Orders. Once the data was collated via the new Human Resources Information System, the data would be reported quarterly to the Executive Committee and the Lead Member for Performance. The audit of this function was in addition to performance management and related more to analysis of systems and processes to ensure they were fit for purpose. The external auditor advised that annual audit would be sufficient if performance indicators were being monitored at a local

level.

**Resolved** that, subject to the audit of sickness/absence management being carried out early in the year, the three year strategy for Internal Audit as now submitted be approved.

8/08

**Corporate Risk Register**

The Committee considered a report proposing improvements to the Authority's corporate risk management process to enable corporate risk to become more transparent and relevant to all levels of management within the organisation.

Considerable work had already taken place within the service to establish the concept of risk management but a number of areas had been identified for improvement. A definition of corporate risk was proposed as follows: 'those risks that, if realised, would seriously affect the Authority's ability to carry out its core functions or deliver key objectives'. It was also proposed that the Corporate Risk Register be extended to reflect a much wider spectrum of risks; that the corporate risks be more clearly defined and explored and control owners identified; and that those risks be linked to the key objectives of the Fire Authority as set out in the Corporate Strategy and Performance Indicators.

Reference was made to the inclusion of risks relating to opportunities to engage with partners in local area agreements and the difficulties that may be faced in this regard. The importance of partnership working for the Comprehensive Area Assessment was emphasised. It was also important for Members to understand how they could assist partnership working in their own authorities.

**Resolved:**

- (1) that the definition of corporate risk and the widening of the range of risks within the Corporate Risk Register be approved;
- (2) that the revised methodology for the management and reporting of corporate risks be approved;
- (3) that arrangements be made for an item on local area agreements to be included in the next Members' Induction Session.

## **Audit Committee – 31<sup>st</sup> March, 2008**

### **9/08      Audit Commission – Audit and Inspection Plan 2007/08**

John Gregory on behalf of the Audit Commission presented the Audit Commission Audit and Inspection Plan for 2007/08. Much of this work was in hand but this was an opportunity for the Committee to raise any issues. The 2008/09 Audit and Inspection Plan was in preparation and would be submitted to the Committee shortly.

Mr Gregory also outlined the rationale for the proposed increase in fees charged to authorities for external audit work. The Commission now proposed to increase fees by 11%, which was significantly less than the percentage increase originally proposed following feedback from the recent national consultation exercise.

### **10/08      Work Programme 2008/09**

The Committee approved the updated work programme for 2008/09.

### **11/08      Date and time of next meeting**

Monday, 9<sup>th</sup> June, 2008 at 1.30 pm.

(The meeting ended at 3.06 pm)

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