

<p>Minutes of the Audit and Performance Management Committee</p>

**28 November 2011 at 12.25 pm
at Fire Service Headquarters, Birmingham**

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

Apology: Councillor Douglas-Maul (Lead Member for
Performance Management).

41/11 Annual Audit Letter 2010/11

Pragati Rathaita of the Audit Commission was in attendance and presented the Annual Audit Letter 2010/11 which set out the findings of external audit work undertaken during that year.

The audit had looked at the financial statements and arrangements to enable value for money to be achieved in the use of resources. The annual audit letter indicated that the accounts gave a true and fair view of the Authority's financial affairs and the Auditor had issued an unqualified opinion on the Authority's 2010/11 accounts. The Auditor had also concluded that the Authority had made proper arrangements to secure value for money.

The audit had identified that the major challenge facing the Authority was to manage the shortfall in grant funding, and it was recognised that the Building upon Success Programme had been put in place to address these issues.

The Committee noted the Annual Audit Letter.

42/11 Analysis of Progress of Corporate Performance against 'The Plan' – Quarter 2 2011/12

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

Overall the Service was improving and meeting targets across a range of performance indicators. There were two areas where performance was below target, relating to arson in dwellings and non-domestic premises, which was thought to be related to the economic situation. The Service was improving towards meeting targets in two areas, and there were six areas where it was meeting or exceeding the target. There was a particular reduction in the number of false alarm calls from automated fire alarms because of the new challenge process. It was noted that six people had been involved in one accidental fire during this period, which impacted on the performance indicator for the number of injuries sustained in accidental fires.

The Committee was informed that sickness levels were closely monitored and were consistent with performance in other metropolitan fire authorities.

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

Corporate risks relating to employee engagement and service disruption continued to be rated 'high' as a result of threatened industrial action. Business continuity processes had been invoked to ensure that service delivery was maintained as far as possible.

The Committee also noted progress on key projects and programmes.

With regard to serious incident reviews, the Committee was advised that the Service worked with other agencies as appropriate following critical incident analysis to identify vulnerable groups.

Resolved:

- (1) that data on the number of lives saved in fires be included in future reports to the Committee;
- (2) that long term and short term sickness levels be reported to the Committee in future; and
- (3) that the Corporate Risk Register be a regular item on the agenda.

43/11 Treasury Management Update

The Committee was advised that as part of the Treasury Strategy and Prudential Code periodic reports should be submitted to elected members.

Audit and Performance Management Committee – 28 November, 2011

The annual Treasury Management Report for 2010/11 covering treasury activity and the prudential indicators was presented. The report indicated that the Authority had complied with its legal and regulatory requirements. No borrowing had been undertaken for capital purposes and the statutory borrowing limit was not breached. The financial environment continued to be challenging with deteriorating investment returns and continuing counterparty risk.

The Treasury Management Strategy Statement and Annual investment Strategy Mid-year Review Report 2011/12 was also submitted, outlining the performance of the treasury management function of the authority.

The Committee was informed that treasury management was a specialised area of work and was carried out on behalf of the Authority by Sandwell MBC via a service level agreement. The current economic situation had led to more short-term investments but security was the prime issue. There was a greater tendency to invest on the open market, and the Authority was involved in the decision making on all long term borrowing.

Resolved that the update be noted and that the prudential and treasury indicators be approved.

44/11 Review of Organisational Assurance

Resolved that this report be deferred to the next meeting to allow Members more time to read the report.

45/11 Update on Topical, Legal and Regulatory Issues

There were no matters to report.

46/11 Date of next meeting

Monday 9 January 2012 [time to be confirmed]

(The meeting ended at 1.30 pm)

<p><i>Contact Officer: Georgina Wythes Democratic Services Unit Sandwell Metropolitan Borough Council 0121 569 3791</i></p>
