

Minutes of the Audit Committee

5 September 2016 at 12.30 pm
at Fire Service Headquarters, Vauxhall Road, Birmingham B7 4HW

Present: Councillors Aston, Idrees, Sealey, B Singh,
P Singh and T Singh (Chair)
Mr Ager (Independent Member)

Apologies: Mr James Cook – Grant Thornton

39/16 Minutes of the Audit Committee held on 25 July 2016

Resolved that the minutes of the meeting held on 25 July 2016, be approved as a correct record.

Councillor Aston's request at the previous meeting to review the Risk Assurance Map would be facilitated.

40/16 Corporate Risk Update

The Committee received the Corporate Risk Update. This was the first of the new cycle of six monthly reports and included the Corporate Risk Assurance Map Summary and the Position Statement. The Deputy Chief Fire Officer stated that this was a routine report that covered Quarter 4 to May 2016 (2015/16) and Quarter 1 to July, (2016/17).

There had been an increase in overall Corporate Risk Scores. In Quarter 4, 2015/16, the risk score for Corporate Risk 11 increased. The decision was made due to a trade dispute registered by the Fire Brigades Union involving Fire Control staff. However, this had decreased in Quarter 1, 2016/17 due to a local collective agreement on the staff and supervision arrangements for the shared Fire Control.

In Quarter 4, 2015/16 the risk score for Corporate Risk 5, decreased. The decision was made due to positive engagement and negotiations between senior management and Representative Bodies regarding the staffing trials. In Quarter 1, 2016/17 the risk score for Corporate Risk 1, decreased. The decision was made due to certain aspects of the Shared Fire Control review still being ongoing, there is a collective agreement for staffing and supervision arrangements.

In Quarter 1, 2016/17 the risk for Corporate Risk 6 decreased. The decision was made due to the trade dispute being lifted and the negotiated position in relation to staffing having been agreed.

The Corporate Risk Assurance Map Summaries for May 2016 (Quarter 4 2015/16) and July (Quarter 1 2016/17) were attached as appendices to the report together with the Corporate Risk Position Statements for Quarter 4 and Quarter 1.

Confidence levels were improving and there were no “red” risk scores in Quarter 1 for 2016/17.

In answer to a question regarding emerging risks from Brexit and future governance arrangements, the Deputy Chief Fire Officer explained that the Corporate Risks had been reviewed and two additional risks had been identified as External (Political and legislative) Environment and Business Development. A Future Governance Working Group had been set up and would be considering future arrangements.

Officers would attend future Audit Committees to provide interim briefings on specific risks and any changes to risks.

There was uncertainty on the impact and timeframes of Brexit on the West Midlands Community.

In answer to another question regarding a spike in arson incidents, it was explained that this stands alone and is not a high level corporate risk. Any increase in arson incidents would be reviewed at the Quarterly Performance meeting and this in turn is reported to Scrutiny Committee. If there was a massive spike in all indicators then this would be shown as a risk and be reported in the indicators. A rise in antisocial incidents would also be raised with the Police and the Committee were reassured that there was a good relationship with the Police and regular meetings were held at all levels.

Resolved that the Corporate Risk Assurance Map Summary be noted and the Position Statement for each risk be approved.

41/16 **Notification of Submission of the Annual Scheme Return to the Pension Regulator**

The Committee noted the submission of the following returns to The Pension Regulator under the requirements of the Pensions Act 2004:

- West Midlands Fire Service Firefighters Pension Scheme 1992 – Scheme Return 2015 – 2016
- West Midlands Fire Service Firefighters Pension Scheme 2015 – Scheme Return 2015 – 2016

42/16 **Audit Committee Update for WMFRA**

The Committee noted the CIPFA Audit Committee Update. The update focused on progress of the audit and high level summary. The Auditors were planning for the following years audit. The update reported on:

- The changing face of Corporate Reporting (Integrated Reporting)
- The Grant Thornton Website relaunch and dedicated section for the fire sector
- Advancing closure: the benefits to local authorities – the Fire Authority were on target to deliver
- CFO Insights – driving performance improvement
- Future Events and Workshops
 - Joint Venture Seminar at Grant Thornton Leicester Office on 13 September 2016
 - Income Generation Workshop 28 September 2016 in Birmingham

The Auditor informed the Committee of the electronic links to the documents highlighted and also offered to provide hard copies of the documents if required.

The Auditor confirmed that the Whole of Government Accounts would be completed week commencing 12 September 2016 and the Annual Audit Letter would be presented to the Audit Committee on 14 November 2016.

43/16 **CIPFA Audit Committee (Update No. 20)**

The Committee received the CIPFA Audit Committee Update No. 20. The update focused on the CIPFA survey into audit committees in local authorities and police. The remainder of the issue provided an update on recent legislation, reports and guidance. The Auditor felt that following the update on risks, there was nothing for Members of the Committee to concern themselves.

The update also provided a list of workshops and training events for Audit Committee Members. There was a development date for local government audit committees on 7 December in Birmingham and further details would be available soon.

Members were asked to complete the knowledge and skills framework at their earliest convenience. The forms would be circulated and should be returned to the Clerk by 19 September 2016.

44/16 **Audit Committee Work Programme 2016/17**

The Committee noted its Work Programme for 2016/17 and that the next meeting of the Audit Committee would be on 14 November 2016.

45/16 **Update on Topical, Legal and Regulatory Issues**

There was no new information to be presented

(The meeting ended 13.00)

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