

West Midlands Fire and Rescue Authority

Audit Committee

**You are summoned to attend the meeting of Audit Committee to be held on
Monday, 12 June 2017 at 12:30**

at Fire Service HQ, 99 Vauxhall Road, Nechells, Birmingham B7 4HW

for the purpose of transacting the following business:

Agenda – Public Session

- | | | |
|----|--|----------------|
| 1 | To receive apologies for absence (if any) | |
| 2 | Declarations of interests | |
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| 10 | Update on Topical, Legal and Regulatory Issues (Verbal Report). | |
| 11 | Workshop for Members on Statement of Accounts | |
| 12 | Committee Members Private Meeting with Internal or External Auditors if required | |

Distribution:

Adam Aston - Member, Mohammed Idrees - Member, Robert Sealey - Member, Bally Singh - Member, Paul Singh - Member, Tersaim Singh - Chairman

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Minutes of the Audit Committee

Item 3

27 March 2017 at 1230 hours
at Fire Service Headquarters, Vauxhall Road, Birmingham
B7 4HW

Present: B Singh (Chair), Aston, Barlow, Barrie, M Idrees, Mottram, Sealey and Mr Ager (Independent Member)

Apologies: Councillors T Singh, P. Singh, P Farrow

7/17 **Minutes of the Audit Committee held on 16 January 2017**

Resolved that the minutes of the meeting held on 16 January 2017, be approved as a correct record.

8/17 **Audit Committee Terms of Reference**

The Committee considered the existing Audit Committee Terms of Reference in line with the guidance from CIPFA. Following a review, it was felt that the Terms of Reference were fit for purpose and no changes had been made in the previous twelve months.

Resolved that following a review of the terms of reference that the existing terms of reference be approved.

9/17 **Internal Audit Plan 2017/18**

The Committee received the internal audit plan for the period 2017/18 together with an indicative plan covering the period 2018/19 to 2019/2020. The plan would remain fluid and be kept under review and any proposed changes would be reported to the Committee for approval.

The Internal Auditor outlined the audit planning process and steps taken. This provides an independent and objective opinion and an Annual Governance Statement is provided at the end of the year. The plan takes account of strategic risk register, mandatory areas such as the key financial systems and areas where the auditor's knowledge, management requests and past experience are used.

The CIPFA scoring methodology is used to score auditable areas as high, medium or low risk and then identify the areas where assurance will be provided in 2017/18.

- High risk areas will be audited annually,
- Medium Risks may be visited once in a three-year cycle
- A watching brief remains on low risk areas.

In response to a request from a member of the Committee, the Auditor agreed to review the document and improve the referencing in respect of risks.

Resolved that the internal audit plan for 2017/18 be approved.

10/17 **Audit Plan 2016-17**

Approval was sought to Grant Thornton's Audit Plan 2016/17 which set out the work Grant Thornton would undertake in respect of the Authority's financial statements and delivery of its value for money conclusion on the Authority's arrangements to secure economy, efficiency and effectiveness.

Richard Percival, Grant Thornton, announced that this would be James Cook's last Audit Committee and he would now be the main Engagement Lead for the Committee.

The Code of Audit Practice requires Grant Thornton to issue a value for money conclusion. The conclusion will be based upon the criteria that the Authority has put into place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office issued its guidance for auditors on value for money work for 2016/17 in November 2016. The guidance identifies one single criterion for auditors to evaluate:

“In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people”.

For 2016/17 the Authority is required to prepare the accounting statements by 30 June 2017 and to submit the audited 2016/17 accounts to the Authority for approval by no later than 30 September 2017.

The key developments were the Blue Light collaboration through the Policing and Crime Bill 2017 and the radical programme of Fire Reform. The key challenges were financial resilience and the Authority had considered and approved an efficiency plan to meet the impact that funding settlements would have.

The Authority would have a total reduction to core funding over the four year period 2016/17 to 2019/20 of approximately £9.4m (15% of 2015/16 core funding). The Integrated Risk Management Plan – Corporate Strategy Plan 2017 – 2020 had been refreshed and the Authority were clear that the plan could be delivered but this would be a challenge in the financial circumstances.

The Accounts and Audit Regulations 2015 require an earlier closedown of the 2017/18 accounts from approval by no later than 30 September to 31 July.

The Auditor determined the overall Materiality level to be £2,258k (2% of gross revenue expenditure).

The significant risks identified which the audit would focus on were:

- The revenue cycle includes fraudulent transactions;
- Management over-ride of control
- Actuarial value of pension liability.

In answer to a question about the risks involved in Partnership work, it was confirmed that appropriate arrangements are in places to manage the risks involved with partnerships including a process and milestones.

As partnerships develop, other arrangements may need to change and there could be knock-on implications. Officers would identify the risks involved.

The Committee thanked James Cook, Grant Thornton, for his support with the Audit Committee and the clarity of his explanations.

Resolved that Grant Thornton's Audit Plan to enable the delivery of the audit of financial statements and the value for money conclusion 2016/17 be approved.

11/17 **Corporate Risk Update**

The Committee received the Corporate Risk Assurance Map Summary and noted the position statement detailing the work undertaken in support of the management of each of the Service's Corporate Risks for Quarter 2 and 3 2016/17.

At the Audit Committee held on 25 July 2016, the Committee agreed to a new style of reporting and this was the first report to use the "new" and "revised" Corporate Risks.

Corporate Risks were those which, if they occurred would seriously affect the Authority's ability to carry out its core functions or deliver its strategic objectives as set out in the Plan.

The Corporate Risk Assurance Map summary provided a description of each risk and an overview of its rating. The Risk Register had been updated to include a new risk ILAP and included the direction of travel.

The Authority currently had nine corporate risks, some of which had more than one element. The revised 9 Corporate Risks were reported in Quarter 2 for the first time.

In Quarter 2 and 3 there were no increases or decreases in any of the risk scores.

Details of the Risk management activity undertaken or ongoing were:

- Corporate Risks 1, 2, 4 and 8 were awarded the highest level, a green confidence (substantial) opinion.
- Corporate Risks 3, 5, 7 and 9 were awarded a (satisfactory) amber confidence opinion and work was in progress to enabling a green rating to be attained.
- No red (limited) confidence opinions were awarded.

In respect of the Position Statement summary:

- Corporate Risk 1 – External (Political and Legislative) Environment. Although the risk score had not changed, the likelihood of governance was high. The current Future Governance Working Group had been added as an additional control measure to the risk register. This was being closely monitored due to the timescales and dynamic nature of the external environment.
- Corporate Risk 4 – Protection. The risk score has not changed but an additional control measure had been

added to the risk register. Protection continues to utilise the Command Risk Profiles produced through the Integrated Risk Management Team whilst ILAP is being developed. The direction of travel showed a red arrow on the corporate risk assurance map.

The emerging themes were the change from Airwave to a new programme of Emergency Services Mobile Communication Programme (ESMCP) that could raise risks both operationally and financially.

The other emerging theme was in respect of Business Development. Work was continuing to ensure that the target of £2m per year was achievable for commissioned activities.

The Committee would be provided with updates on these issues as they emerge.

In response to an enquiry about the protection risk showing a high level of confidence but the direction of travel moving downwards, the Deputy Chief Fire Officer explained that the risk had not changed but the Fire Safety Inspection programme was not where officers wanted it to be and steps were being taken to ensure that the risk is managed appropriately.

The Deputy Chief Fire Officer responded to a question about the possible connection with potential fires in business/derelict premises.

It was confirmed that the Regulatory Reform Order required the Authority to ensure that it makes the best use of resources and enforces the Order. The highest risks being those to life and property. A lot of new hotels were being built and the Service had taken a risk based approach to ensure the 66 Fire Safety Officers were prioritising the highest risks. A new system entitled Integrated Local Authority Partnership would provide clear information on resources and risk.

In response to a question on maximum cost recovery of court fees and costs, it was confirmed that the Authority do recover costs.

Resolved that the Corporate Risk Assurance Map summary be approved.

12/17 Audit Committee Update for WMFRA

The Committee received and noted an update from its external auditor which set out Grant Thornton's progress in delivering its responsibilities.

Emily Mayne, Manager, introduced Richard Percival, who would be taking over from James Cook, as the Engagement Lead and as the main contact at Grant Thornton.

In line with the Public Sector's Accountancy guidelines, the 2016/17 fee letter was presented to the Authority on 10 April 2017. The accounts audit plan had been received and an interim audit of the accounts was in progress. Work had been undertaken in key risk areas; payroll and operating expenditure and the final accounts audit were planned to commence on 30 May 2017. The Auditor had agreed the order of work and there had been good engagement with the Finance Team.

An initial risk assessment had taken place on the Value for Money conclusion and arrangements were in place to undertake this work to include financial resilience and partnership working with other emergency services.

The Policing and Crime Bill 2017 had received Royal Assent and engagement with the Fire Authority was on-going.

CIPFA had been working on the "Telling the Story" project which aims to streamline the financial statements and improve accessibility to the user. No significant change would be made and a more readable version would be provided to the Committee in the Summer.

The income spectrum – helping local authorities to achieve revenue and strategic objectives to create a vibrant economy. This report provides case studies, local authority spend analysis, examples of financial mechanisms and critical success factors to consider.

In response to an enquiry regarding the risk to the Authority moving the Mayoral Route to Governance and not taking the preferred government line of the PCC. It was confirmed that Greater Manchester had also taken a slightly different route and London, who were unique, were aligned to the Mayor. As the second largest fire authority in the country, the Authority had taken a decision to ensure what was best for the community of the West Midlands.

In light of the Income Spectrum, the Auditor was asked how they could support the Fire Authority in raising income. The Auditor was aware of the overall strategy and this would be discussed at a Value for Money meeting with the Clerk, Treasurer and Deputy Chief Fire Officer. There was scope to share examples of other local authorities, but there were not many other fire authority examples.

It was suggested that the Authority could be used as a case study and be shown to be leading the way. The Auditor confirmed he would be happy to work with the Authority.

In response to a question on the pension liabilities, and why the current shortfall was important, the Auditor explained this was to ensure that auditing standards were as comparable as possible with the private sector.

Following a review of the West Midlands Pension Fund the Auditor had also assisted with considering options for an appropriate way forward for the Authority which included making a lump sum payment and thereby receiving a discount.

13/17 **Communication with the Audit Committee for WMFRA**

The Committee received an update from the Authority's External Auditors, Grant Thornton, relating to the progress of the external auditors in delivering their responsibilities, which included matters that related to fraud, law and regulations, going concerns, related parties, and accounting estimates.

The Auditor stated there were no issues to be highlighted. The accounting estimates were attached as an Appendix to the report. No reports had been received under the Whistle

Blowing procedure and no legal action had been taken against the Authority. Appropriate arrangements were in place and The Auditor had no concerns about the following year's accounts. Testing will be carried out on related party transaction disclosures (gifts).

The Auditor had discussed the accounts with the Finance Team and was content. James Cook stated that it had been a privilege to act as the Authority's Auditor over the previous five years and found officers both professional and positive and had found appropriate solutions to difficult issues. He thanked the Audit Committee for their assistance in rising to the challenges faced by the Authority. The Authority had maintained a relatively good fiscal position in light of the challenges and were in a good financial position in relation to other Authorities.

14/17 Minutes of the Pension Board held on 6 February 2017

The Committee noted the minutes of the Pensions Board held on 6 February 2017. The Committee were introduced to the new Independent Chair of the Board, Mr Neil Chamberlain, Director of Commercial Services at West Midlands Police. Kal Shoker, Employee Representative of the Pension Board, had Chaired the meeting on 6 February 2017.

The next meeting would be held in May 2017 when the Board would be ensuring that appropriate arrangements were in place for the production of the Annual Benefit Statements 2017 in August 2017.

15/17 **The Pension Regulator – Public Service Governance Survey 2016**

The Committee noted the Pensions Regulator's Public Sector Governance Survey 2016 and the collaborative work to ensure a cost effective approach to training is provided regionally.

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

The Committee noted its Work Programme and that a Risk Update on ESPCM and Minutes of Pensions Board would be considered at the meeting on 5 June 2018.

17/17 **Update on Topical, Legal and Regulatory Issues**

The Treasurer confirmed that in respect of the appointment of External Auditors, of the 492 eligible bodies, 483 bodies had agreed to “opt-in” to the sector led approach. This indicated a high level of support to the national approach.

(The meeting ended at 1320 hours)

Contact Officer: Julie Connor Strategic Hub 0121 380 6906

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT COMMITTEE

Item 4

12 JUNE 2017

1. GOVERNANCE STATEMENT 2016/17

Joint report of the Chief Fire Officer, Treasurer and Monitoring Officer.

RECOMMENDED

THAT the Committee considers and comments on the Governance Statement for 2016/17.

2. PURPOSE OF REPORT

This report is submitted to Members to seek comments and consideration of the Governance Statement for 2016/17.

3. BACKGROUND

- 3.1 West Midlands Fire and Rescue Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 3.2 In discharging this overall responsibility, the Authority is also responsible for putting in place proper arrangements for the governance of its affairs, which includes arrangements for the management of risk.
- 3.3 Every Local Authority has to produce a Governance Statement (see attached Appendix 1) with its Statement of Accounts, which are due to be made available at the end of June 2017.
- 3.4 The Governance Statement is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can, therefore, only

provide reasonable and not absolute assurance of effectiveness. The Governance Statement is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

- 3.5 The Statement is signed by the Chairman of the Authority and the Chief Fire Officer who have a responsibility to ensure that the document is supported by reliable evidence and accurately reflects the Authority's internal control environment. The Governance Statement has operated throughout the year ended 31st March 2017 and up to date of the approval of the annual report and accounts.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out because the matters contained in this report do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

The Authority has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. As part of this it has to produce a Governance Statement.

6. **FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from this report.

BACKGROUND PAPERS

None.

The contact officer for this report is Deputy Chief Fire Officer Philip Hales, 0121 380 6907.

PHIL LOACH	MIKE GRIFFITHS	SATINDER SAHOTA
CHIEF FIRE OFFICER	TREASURER	MONITORING OFFICER

ANNUAL GOVERNANCE STATEMENT

1. Scope of Responsibility

- 1.1 West Midlands Fire and Rescue Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for. The Authority also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this duty, the Authority is also responsible for putting in place proper arrangements for the governance of its affairs which facilitates the effective exercise of the Authority's functions and which includes arrangements for the management of risk.
- 1.3 The Authority has complied with the code of corporate governance which is consistent with the principles of the revised CIPFA/SOLACE Framework 2016 published by CIPFA in association with the International Federation of Accountants (IFAC) – Delivering Good Governance in Local Government. The Authority has also complied with the requirements of CIPFA's statement on the role of the Chief Financial Officer in Local Government. This Annual Governance Statement explains how the Authority has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2015, regulation 6 which require the Authority to prepare an Annual Governance Statement.

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems and processes, culture and values by which the Authority is directed and controlled and its activities through which it accounts to and engages with the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, value for money services.
- 2.2 The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place for the year ended 31st March 2017 and up to the date of the approval of the annual report and statement of accounts.

3. The Governance Framework

The key elements of the systems and processes that comprise the Authority's governance arrangements include the following:-

- 3.1 The Authority has produced a Corporate Strategy setting out its objectives and there is regular performance monitoring in which achievement of the Authority's objectives is measured and monitored.
- 3.2 The Authority has established clear channels of communication with the community and stakeholders regarding the production of the Annual Report and consultation on the key priorities of the Service. This also encourages open communication.
- 3.3 The Authority facilitates policy and decision-making via regular Policy Planning Forums and Authority and Executive Committee meetings. An Audit Committee provides independent assurance to the Authority on risk management and internal control and the effectiveness of the arrangements the Authority has for these matters. The constitution of the Committees including the terms of reference is reviewed annually and available on the Internet.
- 3.4 The Authority ensures compliance with established strategies, procedures, laws and regulations – including risk management. The Authority also maintains and reviews regularly its code of conduct and whistle blowing policy. There is a comprehensive induction programme in place and information regarding strategies and procedures are held on the intranet, which continues to be developed. The Authority has a strong Internal Audit function and established protocols for working with External Audit.
- 3.5 West Midlands Fire and Rescue Authority will continue to enhance and strengthen its internal control environment through the review of current policies and procedures.
- 3.6 The Authority has corporate risk management arrangements in place which are supported by an approved Risk Management Strategy enabling Managers and other senior officers to identify, assess and prioritise risks within their own work areas which impact on the ability of the Authority and its services to meet objectives. To consider the effectiveness of the Authority's risk management arrangements is a specific term of reference for the Audit Committee and risk management is a specific responsibility of both the Chairman and Vice Chairman.
- 3.7 The Authority's Corporate Risk Register identifies the principal risks to the achievement of the Authority's objectives and assesses the nature and extent of those risks (through assessment of likelihood and impact). The Register identifies risk owners whose responsibility includes the identification of controls and actions to manage them efficiently, effectively and economically.

- 3.8 The Authority ensures the economical, effective and efficient use of resources, and secures continuous improvement in the way in which its functions are exercised, by having regard to a combination of economy, efficiency and effectiveness as required by the Best Value duty. The Authority plans its spending on an established planning cycle for policy development, budget setting and performance management through the business planning process. This ensures that resources are aligned to priorities and secures best value from the resources that are available.
- 3.9 The Chief Financial Officer is a key member of the leadership team, helping to develop and implement the Authority's strategy. The Authority's financial system is an ORACLE based general ledger and management information system, which integrates the general ledger function with those of budgetary control and payments. Financial Regulations and Contract Procedure Rules are approved and regularly reviewed by the Authority. A rigorous system of monthly financial monitoring ensures that any significant budget variances are identified in a timely way, and corrective action initiated.
- 3.10 The Authority's performance management and reporting of performance management continues to be improved with a more focused Corporate Strategy, the setting of priorities and is supported by regular performance monitoring. Corporate performance is reported on a quarterly basis and this process provides officers and Members with the opportunity to share knowledge and understanding about key performance issues affecting services.
- 3.11 The Authority within its committee framework has a Standards Committee to promote high ethical standards amongst Members. This Committee leads on developing policies and procedures to accompany the Code of Conduct for Members and is responsible for local assessment and review of complaints about members' conduct. The Authority also has a Scrutiny Committee which undertakes performance management functions and informs policy development.
- 3.12 The Fire and Rescue National Framework for England sets out a requirement for Fire and Rescue Authorities to publish 'Statements of Assurance'. Specifically, Fire and Rescue Authorities must provide assurance on financial, governance and operational matters and show how they have had due regard to the expectations set out in their integrated risk management plan and the requirements included in this Framework. The Authority has approved the Statement of Assurance which is available on the Service's website.

4. Review of Effectiveness

- 4.1 The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the statutory officers and principal managers of the Authority who have responsibility for the development and maintenance of the governance environment, the internal audit annual report and comments made by the external auditors in their annual audit letter and other reports.
- 4.2 Section unit business plans contain a variety of performance indicators and targets that are regularly reviewed.
- 4.3 The Authority's political governance arrangements, which are appropriately reviewed by officers, set out the responsibilities of both Members and senior managers. In particular the Authority has identified the following statutory post holders:-

- Chief Fire Officer
- Treasurer
- Monitoring Officer

In addition to the statutory posts, the post of Clerk to the Authority has been maintained.

- 4.4 The arrangements for the provision of internal audit are contained within the Authority's Financial Regulations. The Treasurer is responsible for ensuring that there is an adequate and effective system of internal audit of the Authority's accounting and other systems of internal control as required by the Accounts and Audit Regulations 2015. The internal audit provision operates in accordance with the CIPFA Code of Practice for Internal Audit in Local Government. The Authority's Audit Plan is prioritised by a combination of the key internal controls, assessment and review on the basis of risk and the Authority's corporate governance arrangements, including risk management. The work is further supplemented by reviews around the main financial systems, scheduled visits to Authority establishments and fraud investigations. Internal Audit leads on promoting a counter-fraud culture within the Authority.
- 4.5 The resulting Audit Plan is discussed and agreed with officers of the Strategic Enabling Team and the Audit Committee and shared with the Authority's external auditor. Meetings between the internal and external auditor ensure that duplication of effort is avoided. All Authority Audit reports include an assessment of the adequacy of internal control and prioritised action plans to address any areas needing improvement.

- 4.6 The Authority's review of the effectiveness of the system of internal control is informed by:-
- The work undertaken by Internal Audit during the year;
 - The work undertaken by the external auditor reported in their annual audit;
 - Other work undertaken by independent inspection bodies.
- 4.7 From the work undertaken by Internal Audit in 2016/2017 the Internal Audit has given a 'reasonable assurance' that the Authority has adequate and effective governance, risk management and internal control processes. This represents an unqualified opinion and the highest level of assurance available to Audit Services. In giving this opinion it is recognised that assurance can never be absolute. The most that internal audit can provide is reasonable assurance that there are no major weaknesses in the Authority's governance, risk management and control processes.
- 4.8 The Authority is able to confirm that its financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.
- 4.9 Audit Services have reported and advised on the implications of the result of the review of effectiveness of the governance framework by the sources noted above and that the arrangements continue to be regarded as fit for purpose in accordance with the Authority's governance framework. The areas to be specifically addressed are outlined in 5.5.

5. Significant governance arrangements within the Authority

- 5.1 West Midlands Fire & Rescue Authority has a legal duty to provide an efficient, safe and effective fire and rescue service. The key priorities are:-
- Prevention – Safer and healthier communities
 - Protection – stronger business communities
 - Response – dealing effectively with emergencies
- 5.2 These form the basis of the Authority's Corporate Strategy known as The Plan 2017-2020 which sets out the outcomes and priorities based on the Community Safety Strategy. The five-minute attendance standard lies at the heart of the Service Delivery Model. The model shows how staff provide the core prevention, protection and response services to make the West Midlands safer, stronger and healthier.
- 5.3 Grant Thornton, the Authority's External Auditors, published the Audit Findings Report for its 2015/2016 audit work which reported an unqualified opinion on the financial statements. It also issued an unqualified value for money conclusion stating that the Authority had proper arrangements in all significant respects to ensure it delivered value for money in the use of resources.

5.4 Based on audit work undertaken during the year an Annual Internal Audit Report was presented to the Audit Committee on 12 June 2017, Audit work which was completed in 2016/2017 included:-

- Accounts Receivable
- Accounts Payable
- Fixed Asset Accounting/Asset Planning
- Payroll
- Budgetary Control
- Pensions Certification
- Governance
- Risk Management
- Data Protection / IT
- Absence Management

5.5 As a result of these audits the following issues were identified:-

Governance – The review was based on the principles of the CIPFA/Solace document “Delivering Good Governance in Local Government: Framework” focused on two of the core principles:

- Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.

Only one issue of significance was identified, in that although the individual elements were in place to meet the requirements of the two principles reviewed, there was not a policy which encapsulated the governance arrangements for the Authority and which provided a centralised approach to evidencing compliance with the principles of good governance.

Data Protection / IT – A review of data protection was undertaken to provide assurance that the necessary safeguards were in place to ensure the appropriate use of personal and corporate information and where data breaches occurred, they were managed effectively. The review identified issues of significance relating to:

- There were no procedures in place for defining/reporting data breaches.
- There was not an effective training regime in place to educate employees on the importance of data protection and their responsibilities for it.
- Data breaches were not documented and recorded.
- Data breaches were not reported to management.

Although only three data breaches had been reported to the Data Manager, due to the lack of formal policies and processes being in place and the low take up of training by employees, therefore little assurance could be provided that all data breaches were being identified and dealt with appropriately and in a consistent manner. As such, the Authority could be exposed to the risk of continued data breaches and potential sanctions being applied by the Information Commissioner's Office.

It should be noted however, that management has recognised the importance of these issues as part of the Management of Information plan and has taken prompt action to address these matters. Protocols have been agreed and put in place, which if complied with, will strengthen the control environment. A follow up review will be undertaken as part of the 2017/18 plan and an assurance update provided to management and the Audit Committee.

- 5.6 All issues highlighted in the Annual Internal Audit Report have been raised with relevant managers and actions have been taken to achieve improvements.
- 5.7 As part of the Finance Settlement for 2016/17, an offer was made for a multiyear funding settlement. Any Authority wishing to take up the four year funding settlement to 2019/20 was required to set out their proposals in an Efficiency Plan to qualify for the four year settlement from April 2016. The Authority considered and approved the Efficiency Plan which was submitted to the Home Office. In February 2017, the Minister for Local Government confirmed the Authority's funding settlement for 2017/18. The core funding reduction of approximately £4m in 2017/2018 will be managed by reviews to services and an increase in Council Tax. At this stage the provisional four year settlement by DCLG is considered to be a reasonable basis to formulate medium term financial planning.
- 5.8 With the trend of cuts to government funding continuing into future years, the Authority faces considerable financial pressures which could result in difficulties to deliver an efficient and effective service, which in turn would increase the risk to the communities of the West Midlands. A key aim for the Authority is to therefore deliver a more efficient and effective service to the community whilst ensuring the stability of the Authority's financial position remains.

6. Certification

- 6.1 To the best of our knowledge, the governance arrangements, as outlined above have been effectively operating during the year with the exception of those areas identified as requiring improvement. We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified during the review of effectiveness and will monitor their implementation and operation as part of our annual review.

John Edwards
Chairman

Phil Loach
Chief Fire Officer

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT COMMITTEE

Item 5

12 JUNE 2017

1. MONITORING POLICIES ON RAISING CONCERNS AT WORK – WHISTLE BLOWING STANDING ORDER 2/20 AND REGULATION OF INVESTIGATORY POWERS ACT 2000

Joint report of the Chief Fire Officer and the Monitoring Officer.

RECOMMENDED

- 1.1 THAT the Audit Committee notes that there has been one allegation of whistle blowing reported through the Whistle Blowing Policy (Standing Order 2/20).
- 1.2 THAT the Audit Committee notes that there have not been any requests to enact the Regulation of Investigatory Powers Act 2000 in West Midlands Fire Service in the last year up to 31 March 2017.
- 1.3 THAT the Audit Committee notes the content of the Whistle Blowing Standing Order 2/20 (attached as Appendix 1) and the Data Protection Policy 1998 which is Appendix 4 of Standing Order Management of Information 01/05 (attached as Appendix 2).

2. PURPOSE OF REPORT

- 2.1 A complaint was received by the Service which is currently in the early stages of investigation and relates to an allegation made towards a number of our employees about an incident which happened away from our premises. The Investigation Manager has had a conversation with the individual (employee of another Brigade) who raised the issue.
- 2.2 This report is submitted to inform the Committee of the monitoring of referrals under the Whistle Blowing Standing Order and the use of the Regulation of Investigatory Powers Act under the Data Protection Standing Order. Revision of the Data Protection Framework 2/16 are currently being consulted in line with the Employment Relations Framework.

[IL1: PROTECT]

3. **BACKGROUND**

Whistle Blowing

- 3.1 The Whistle Blowing Standing Order was consulted on 4th June 2014 and published on 27th November 2014. Minor amendments were made to include names of new personnel who have responsibilities under Whistle Blowing. Standing Order 20/20 has been scheduled to be reviewed at the end of this year.
- 3.2 In relation to Whistle Blowing; in May 1996 the Committee on Standards in Public Life stated that “All organisations face the risk of things going wrong or of unknowingly harbouring malpractice. Encouraging a culture of openness within an organisation will help: prevention is better than cure.”
- 3.3 The Public Interest Disclosure Act 1998 sets out a framework for public interest whistle blowing which protects workers from reprisal because they have raised concern about malpractice. Only a disclosure that relates to one of the broad categories of malpractice can qualify for protection under the Act. These include concerns about actual or apprehended breaches of civil, criminal, regulatory or administrative law; miscarriages of justice; dangers to health, safety and the environment and the cover up of any such malpractice. Case law continues to develop this area of law.
- 3.4 In addition to employees, the Act covers for example, workers, contractors, trainees, agency staff. This list is not exhaustive.
- 3.5 To be protected, the person blowing the whistle must believe that their disclosure is “in the public interest”, i.e. disclosure is made in the reasonable belief that there is an issue such as wrongdoing in public office or something that presents a risk to the public that warrants disclosure.
- 3.6 The Committee should note that there has been one allegation of Whistleblowing which was raised by an external Brigade employee. This allegation was received by our employee over the last twelve month period, using the Whistle Blowing Policy, to 31 March 2017.

Data Protection

- 3.7 The Data Protection Act 1998 was consulted on and amended to include a policy on surveillance in May 2012. The Data Protection Act 1998 has now been added into Standing Order 01/05 Management of Information as (Appendix 4) which is attached as Appendix 2.

Regulation of Investigatory Powers

- 3.8 The Regulation of Investigatory Powers Act 2000 (RIPA) provides a framework for control and supervision of investigatory powers exercised by public bodies, including local authorities, in order to balance the need to protect privacy of individuals with the need to protect others, particularly in light of the Human Rights Act 1998.
- 3.9 The Committee should note that the Service has not approved any surveillance under RIPA legislation in the twelve month period up to 31 March 2017.
- 3.10 West Midlands Fire Service will continue to raise awareness through training on the Whistle Blowing Policy, Data Protection Policy and RIPA to all of our partners.

4. EQUALITY IMPACT ASSESSMENT

In preparing this report an Equality Impact Assessment is not required, as all our policies have Equality Impact Assessments carried out when updating and amending.

5. LEGAL IMPLICATIONS

- 5.1 Data Protection: depending on the level and or seriousness of a breach of the Data Protection Act 1998; there are various levels of prosecution ranging from enforcement notices, financial penalties and in extreme cases custodial sentences.
- 5.2 RIPA: if surveillance operations are not carried out in accordance with the safeguards as laid down in RIPA, the evidence obtained may not be admissible in legal proceedings and the Service may be

subject of a claim on infringing the human rights of the person under surveillance.

6. **FINANCIAL IMPLICATIONS**

Monetary Penalty notices: fines of up to £500,000 could be imposed for serious breaches of the DPA.

7. **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications arising from this report.

BACKGROUND PAPERS

The Public Interest Disclosure Act 1998 (PIDA)

The contact name for this report is Phil Hales, Deputy Chief Fire Officer, telephone number 0121 380 6907.

PHIL LOACH
CHIEF FIRE OFFICER

SATINDER SAHOTA
MONITORING OFFICER

APPENDIX 1

Standing Order 2/20 – Whistle Blowing Policy

APPENDIX 2

Standing Order 1/05, Appendix 4 – Data Protection Act 1998

WHISTLE BLOWING POLICY

STANDING ORDER 2/20

October 2015
Employee Relations
People Support Services

**WEST MIDLANDS FIRE SERVICE
WHISTLE BLOWING POLICY**

1. WHISTLE BLOWING CONTENTS

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2. STRATEGY

Following the Public Interest Disclosure Act 1998 (PIDA), which came into force in July 1999, legal protection is now provided to employees who raise concerns about suspected dangerous or illegal activity that they are aware of through their work. The common term for voicing such concerns is 'whistle blowing'. West Midlands Fire Service (WMFS) wishes to create an open and honest culture by being compliant with its statutory obligations, detailed in the Act, and ethical standards, detailed in its Core Values. Details on our core values can be found in the Equality & Diversity Standing Order 0213 or 'The Plan': <http://wm-srv-alf-01:8080/share/proxy/alfresco/api/node/content/workspace/SpacesStore/4806b62c-f0c9-4600-a25d-8557d1360ead/The%20Plan%202014-2017.pdf>

Employees are often the first to realise that there may be something seriously wrong with the organisation that employs them. They may be able to alert the organisation early on to things like fraud, negligence, bribery and health and safety risks. However, they may not express their concerns, because they feel that speaking up would be disloyal to their colleagues or to the organisation. They may also fear harassment or victimisation. In these circumstances it may be easier to ignore the concern rather than report what may be no more than a suspicion of malpractice.

The procedures in this order give ways for individuals to raise concerns and receive feedback on any action taken. It makes sure that individuals receive a response and know how to pursue concerns if they are not happy with the response. It gives reassurance that individuals will be protected from possible reprisals or victimisation if they believe they have made a disclosure.

3. PROCEDURE

3.1 What the policy covers

The Public Interest Disclosure Act 1998 makes sure that employees, contractors providing services, most agency workers, home workers and trainees on vocational and work experience schemes are legally protected in raising concerns responsibly.

External contractors may encounter wrongdoing that affects WMFS. Therefore, this whistle blowing policy is also open to employees of our contractors.

The subject of concern may be something unlawful, against the Service's policies, below established standards of practice, or that amounts to improper conduct. The overriding concern should be that it would be in the public interest for the alleged malpractice to be corrected.

Whistle blowing is when an employee reports suspected wrongdoing at work. Officially this is called 'making a disclosure in the public interest'.

An employee can report things that aren't right, are illegal or if anyone at work is neglecting their duties, including:

- Someone's health and safety is in danger
- Damage to the environment
- A criminal offence
- The company isn't obeying the law (like not having the right insurance)
- Covering up wrongdoing
- Behaviours that are being displayed

Distinction between grievance and whistle blowing

Whistle blowing occurs when an employee raises a concern about danger or illegality that affects others, not themselves personally. When someone raises a concern

through the Service's grievance procedure, they are saying that they have personally been poorly treated and they are seeking redress or justice for themselves. The whistle blowing policy is intended to cover concerns that fall outside the scope of grievance or other existing Service procedures.

3.2 How to raise a concern

If the matter relates to any fraudulent or corrupt activity, concerns should be raised in accordance with procedures detailed in the [Standing Order 1/22](#), Anti-Fraud, Corruption and Bribery Policy.

If the complainant wishes to raise or discuss any issues which might fall into the above category then the complainant should contact a member of the SET, the Treasurer or the Clerk to the Fire Authority, who will be required by WMFS to treat the matter in confidence.

Where possible, the complainant should raise their complaint in writing setting out the background and history of the concern giving names, dates and places where possible and the reason why the complainant is particularly concerned about the situation. If the complainant does not feel able to put the concern in writing, then the complainant can discuss the concerns verbally with a member of the SET, or the Treasurer or the Clerk to the Fire Authority.

The earlier that the complainant can express the concern and the more detail that can be provided, the easier it will be for the Service to take appropriate and necessary action. Remember:

- the complainant must disclose the information
- the complainant must believe it to be substantially true
- the complainant must not act maliciously or make false allegations
- the complainant must not seek any personal gain

At this stage the complainant will not be expected to prove the allegation, but will need to demonstrate to the person contacted that there are sufficient grounds for reasonable suspicion or concern.

The complainant may invite a member of the trade union representative body or a work colleague to be present during any meetings or interviews in connection with the concerns raised.

Where a concern relates to a Brigade Manager or SET Manager, then either the Strategic Enabler for People (as Responsible Officer), or Deputy Chief Fire Officer or Chief Fire Officer, as appropriate, should be contacted in the first instance. The Assistant Chief Executive, Melanie Dudley at Sandwell MBC has the Monitoring Officer role for the Fire Authority. The Monitoring Officer may be contacted on 0121 569 3513. Address: Sandwell Council House, PO Box 2374, Oldbury, West Midlands, B69 3DE.

The Treasurer to the Fire Authority may be contacted on 0121 3806919. The Clerk to the Fire Authority may be contacted on 0121 3806678. Address for the Treasurer and the Clerk to the Fire Authority is: West Midlands Fire Service, 99 Vauxhall Road, Birmingham, B7 4HW.

3.3 Confidentiality

All concerns will be treated in confidence and every effort will be made not to reveal the identity of the complainant. However, it is likely that further investigation will be necessary and the complainant may be required to attend a disciplinary or investigative hearing as a witness at the appropriate time. An employee raises a concern confidentially if they give their name only on condition that it is not revealed without their consent. A concern is raised anonymously if the employee does not give their name.

3.4 How the Service will respond

The action taken by the Service will depend on the nature of the concern. The matters raised may be investigated internally by an appropriately experienced officer

knowledgeable in the area concerned, for example, audit, Line Manager or HR Practitioner.

Alternatively through the disciplinary process, the matter may be referred to the police, the external auditor or may be the subject of an independent enquiry.

In order to protect individuals and the Service, and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Concerns or allegations that fall within the scope of specific procedures, for example, unfair discrimination issues, will normally be referred for consideration under those procedures. Some concerns may be resolved by agreed action without the need for investigation. Members of the SET can seek guidance from the Strategic Enabler of People at any stage in the investigation.

Within 10 working days of a concern being raised, the individual with whom the concern was raised will write to the complainant:

- acknowledging that the concern has been received;
- indicating how the matter is to be dealt with;
- giving an estimate of how long it will take to provide a final response;
- telling the complainant whether any initial enquiries have been made;
- supplying the complainant with information on staff support mechanisms; and
- telling the complainant whether further investigations will take place and if not why not.

The amount of contact between the officer(s) considering the issues will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from the complainant in a discreet manner.

When any meeting is arranged, the complainant will have the right to be accompanied by a representative body or a work colleague. The meeting can be held off site if requested.

West Midlands Fire Service will take steps to minimise any difficulties, which may be experienced as a result of raising a concern and provide any appropriate support. For instance if required to give evidence in disciplinary or criminal proceedings, the Service will advise the complainant of the procedure and give reasonable support. Subject to legal constraints, complainant will receive information about the outcomes of investigations.

Upon completion of the investigation, **all** documents will be forwarded to the Strategic Enabler of People.

3.5 Responsible officer

The Strategic Enabler of People has overall responsibility for the maintenance and operation of this policy. This officer maintains a record of concerns raised and the outcomes (but in a form which does not endanger the complainant's confidentiality) and will report as necessary to the Service.

3.6 Harassment or victimisation

West Midlands Fire Service recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the alleged malpractice. The Service will not tolerate harassment or victimisation and will take action to protect the complainant when a concern is raised.

3.7 Untrue allegations

If the complainant makes an allegation, but it is not confirmed by the investigation, no action will be taken against the complainant. If however the complainant makes an allegation which, upon full investigation, is found to have been malicious or vexatious, disciplinary action will be considered and the protection of the PIDA will be lost.

3.8 Anonymous allegations

This policy encourages the complainant to put their name to the concerns. Concerns expressed anonymously are much less powerful, but will be considered at the discretion of the Strategic Enabler of People.

In exercising this discretion the factors to be taken into account would include the:

- seriousness of the issues raised;
- credibility of the concern; and
- likelihood of confirming the allegation from attributable sources and information provided.

3.9 How the matter can be taken further

This policy is intended to provide the complainant with an avenue to raise concerns within the Service. We hope the complainant will be satisfied with the response. If not, the complainant must indicate this to the Strategic Enabler of People or the Treasurer or Clerk or Monitoring Officer to the Fire Authority.

Legal advice may be sought on any concerns about malpractice. If the employee feels it is right to take the matter outside the Service, the following are possible contacts:

- The complainant's recognised trade union
- Citizens Advice Bureau
- A solicitor
- The Police
- Relevant professional bodies or regulatory organisations, such as Ombudsmen.

Public Concern at Work (www.pcaw.co.uk) is a charity that offers free advice to people concerned about danger or malpractice in the workplace, but who are unsure whether, or how, to raise the matter.

4. CROSS REFERENCES

This Standing Order makes reference to and complements issues contained in other Orders, namely:

Standing Order No. 1/22	Anti-Fraud, Corruption and Bribery Policy
Standing Order No. 2/1	Disciplinary Procedure
Standing Order No. 2/17	Dignity at Work

5. KEY CONSULTEES

Minor changes only have been made to this Order and consultation was not necessary.

6. EQUALITY AND DIVERSITY

The initial Equality Impact Assessment raised no issues so a full impact assessment was not required.

7. OWNERSHIP

This Standing Order did not require Authority or SET approval.

8. RESPONSIBILITY AND REVIEW/AMENDMENT

8.1 Responsible SET Member/Department

Strategic Enabler People/HR Employee Relations Team

8.2 Created/fully reviewed/amended

This Standing Order has been reviewed, amended by Employee Relations in November 2014 and amended in October 2015.

STANDING ORDER 1/05 – DATA PROTECTION ACT 1998
(APPENDIX 4)

Item 5

1. Procedures

West Midlands Fire Service fully endorse and adhere to the principles of the Data Protection Act 1998.

The Service regards the lawful and correct treatment of personal information as very important to successful service delivery and to maintain confidence between service users, employees including temporary staff, volunteers and those communities we serve. The Service is committed to respecting all rights of those individuals whose personal data it processes and will ensure personal information will be treated lawfully and correctly in accordance with the legislation. It will adopt best practice as designated by the Information Commissioner's Office where possible.

The Service has defined a number of distinctive roles to manage data protection.

Role Title	Position in the Organisation
Data Protection Officer	Data Management Officer
Information Asset Owner (IAO)	SET member from each function responsible for data management within their respective function. Also to be the liaison point for the Data Protection Officer.
Data User	All those that handle data. All individuals have a responsibility to ensure the integrity of the data they use.

Each employee or potential data user will be given such information, instructions and training as is necessary in order to ensure that they are aware of their contractual responsibilities in relation to personal data and so that they are aware that they can, in some cases, be held personally responsible if any personal data is improperly disclosed, destroyed or obtained.

The Data Protection Officer has responsibility to co-ordinate the Service's response to the Data Protection Act 1998 and the Freedom of Information Act 2000, to ensure that the provisions of the legislation are met.

The IAO will have overall responsibility for the personal data kept within their particular department to ensure that such data is maintained in accordance with the principles of the Data Protection Act 1998. This does not absolve

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Data Users from their responsibility of ensuring that personal data is maintained in accordance with these principles.

1.1 *Scope of personal data*

Definition of Personal data or information

Is any information held electronically (including all emails) or manually – which relates to a **living** individual who can be identified:

- From the information
- From the information combined with other information which is in the possession of the Service or is likely to come in to the possession of the Service
- Includes any intentions or opinions the Service may have towards the individual

Sensitive Personal data

The Data Protection Act 1998 defines sensitive personal information as information related to:

- Racial or ethnic origin
- Political opinions
- Religious or other similar beliefs
- Membership of trade unions
- Physical or mental health or condition
- Sexual life
- Convictions, proceedings and criminal acts

(See Appendices 1 and 2 for further information)

1.2 *Personal records*

All information held on a Personal Record File (PRF) will be maintained with a high level of confidentiality and only disclosed to those individuals who reasonably require it as part of their duties.

Files that are maintained locally or within the Occupational Health Unit will comply with the same level of confidentiality.

Information held on a Personal Record File will not be kept for longer than is absolutely necessary and documents will be removed and destroyed in a

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timely manner following the period agreed below.

1.2.1 Computerised Personal Record File

It is the policy of West Midlands Fire Service that one primary Personal Record File will be maintained for each employee. The information in this file will relate to the individual only and will be maintained by People Support Services (PSS) and the employee in accordance with the Data Protection Act 1998.

Appendix 3 details the information that can be held in the Computerised Personal Record File.

1.3 Local Personal Record File

It is acknowledged that in order to manage locally, certain items of personal information must be retained locally on station or within sections; these include performance, attendance management, training information and Permits to Work. These files must be maintained in accordance with the Data Protection Act 1998.

A Personal Record File can be maintained at the location of the individual but must only contain the items of information as listed in Appendix 3.

These files should be sent back to PSS when the employee ceases employment. If an employee moves temporarily for more than 4 weeks or permanently to another location the file should be forwarded to the other locations clearly marked confidential and addressed to the new line manager. Any movement of files must be conducted under confidential cover in sealed envelopes, with the delivery and receipt recorded.

All information must be kept securely and in confidence.

1.4 Employee Access

1.4.1 Personal record file

All employees under the terms of the Data Protection Act 1998 are entitled to know what personal information the organisation holds about them and how it is being processed. If an employee requires access to their personal record file (PRF) information, the following procedure must be followed.

- Requests should be made in writing to the PSS, giving a minimum of 3 days notice.
- PSS will liaise with the employee to facilitate access,

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- The Data Protection Act 1998 gives employees an entitlement to information and not documents

If the employee wishes a third party to be present when viewing the file, for example, a legal or trade union representative, this must be included in the request. Representatives will not be allowed to view the file independently without the explicit written consent of the employee concerned.

Every employee has the ability to view their electronic personal information file. If inaccurate information is found on the system and the employee does not have the access to amend it, details should be forwarded to the PSS who will make the amendments on their behalf.

If line managers wish to view a member of staff's Personal Record File, the procedure described above must be followed where a reason must be provided for needing to view the file.

1.4.2 Occupational health records

Access to occupational health records will follow the procedure described above except that the request to view the records is to be submitted to the Practice Manager, Occupational Health who may need to liaise with the OH Manager or their delegated representative.

1.4.3 Other personal records

Requests to access other personal information that the organisation might hold should be made in writing to the Data Protection Officer at Fire Service Headquarters. The information will then be located and a fee charged if appropriate. If the information contains data about any third parties then the information will be released if it is reasonable to do so in line with the legislation, redacted i.e. personal data removed or a summary of the information provided.

1.5 *Information released to a third party*

Requests are sometimes received either in writing or via telephone from third parties to release personal information about employees, in all cases written permission of the individual must be given before this information is released, exception to this will be in certain circumstances where requests are made by statutory bodies for information.

Sports and Welfare

Such organisations were previously exempt from the Act, but must now comply, but are not required to register under the Data Protection Act 1998.

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Whilst it is not necessary to notify the Information Commissioner of the personal data held, this does not exempt clubs from the first principle of the Act, that is, personal data shall be processed fairly and lawfully.

1.6 Requests for information

All other requests for information in whatever form, for example, paper records, computer records, tapes, and so on, should be forwarded through to the Data Protection Officer.

If a request for information is received in a department, section or on a station it must be date stamped and forwarded immediately for the attention of the Data Protection Officer, Data Management Section, marked 'Confidential - Data Protection Request'. If possible, the request should be sent by e-mail.

The Data Protection Officer will be responsible for recording the request, obtaining the information from the relevant department, charging any appropriate fees and ensuring that the request is answered within the timescale. The timescale for response to requests for information is 40 days and the suggested fee is £10 but this is not always charged.

Requests for the disclosure of personal data related to the 'Transfer of Undertakings (Protection of Employment) Regulations' (TUPE) 2006 are the responsibility of PSS department. These need to be in line with TUPE and Data Protection Act 1998 requirements.

The Data Protection Officer will liaise with the department or station concerned for assistance in providing the information requested. It is imperative that information is provided in a timely manner to ensure that the specified timescales are met.

1.6.1 Requests for incident information

The Service receives enquiries from solicitors, loss adjusters, insurance companies and other interested parties for details of fires and other Fire Service activities. The intentions of the enquirer are often unknown or liable to change at a later date.

The Service is not entitled to release information about a data subject to any third party without the data subject's consent; there are a few exceptions, for example, data requested by the police to assist them with criminal investigations. Fire Service reports, in particular the Incident Recording System (IRS) Fire Report, contain information about persons involved in incidents and are therefore not to be released by fire stations.

All such requests must be submitted in writing by the party wishing to obtain the information. This is to be forwarded to the Central Administration team at

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e-mail address InformationDisclosure@wmfs.net. A fee will usually be charged for this information.

1.6.2 Release of information for legal proceedings

When the Fire Service is involved in legal proceedings, the Civil Procedure Rules require that all relevant documents shall be disclosed to the other parties involved. This includes all documents which are, **or have been** in the possession, custody or power of the relevant party and which relate to any matter in question between the parties.

A request for such documentation will usually be made by the PSS Section to the relevant section, department or station. This request includes **all** relevant documents, including original or rough notes, and whether they are supportive or potentially damaging, so a thorough search must be made.

In general terms, it is likely that all available documentation is disclosable and therefore, personnel should forward all documents, which will be considered by the Service's advisors before disclosure.

If original documents are forwarded, copies should be taken and preserved by the forwarding party. Where copies of documents are forwarded, care must be taken to ensure the best possible quality copy is obtained.

Stringent time limits are imposed for disclosure of documentation. Hence it is vital that all documents are forwarded, as soon as possible after the request has been made.

1.6.3 Definition of documents (legal proceedings)

As all relevant documentation should be disclosed, it is not possible to provide a definitive list. However, for the purposes of this order, examples include: **all** paper records, written or printed, reports – including IRS and narratives (where provided), internal and external memoranda, accounts, invoices and contracts, any information held on computer or other mode of electronic storage, for example, e-mails, CD-ROM, diagrams, plans, maps, photographs and videos.

It should be noted that the marking of any disclosable document 'confidential' or 'personal' does not necessarily preclude disclosure in respect of legal proceedings.

The requirements of this standing order emphasise the importance of maintaining comprehensive and accurate filing systems, as the implications of non-disclosure of relevant documents are far reaching.

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1.6.4 Information received or requested from the police about employees

On occasions, the Service maybe contacted by police officers, who have either requested personal information about employees, or have notified the Service that employees have been arrested or involved in incidents to which the police have been called. The Fire Service is not a 'notifiable occupation' for disclosing convictions of persons for certain employers.

Therefore, the following procedure will be adopted upon receipt of such requests from the police, or where information is received about individual employees:

- Where the police request information from a station, the officer in charge should only confirm whether or not an individual is employed at the station
- Any requests for further information about employees should be refused and the requesting police officer referred to the duty principal command officer via Fire Control. The Service will then only release personal details where a serious crime is being investigated or where a warrant has been issued
- Information will only be released after receipt of the police force's standard disclosure form
- Employees are obliged to notify the Service if they have been charged with a criminal offence, (senior officers do not visit police stations if informed by the police that an individual has been detained or questioned whilst off duty). The Service does provide welfare support should individuals require it; this should be discussed with the Line Manager
- Personnel who are being questioned or detained by the Police and who would be unable to report for duty as a result, should request the police to contact Fire Control and inform the duty officer that they will be unable to attend for duty. The duty principal command officer will then be informed and will take appropriate action
- Requests from the police for copies of recordings from Fire Control will be managed and actioned by Fire Control. The procedure is detailed in Fire Control

1.7 Data Protection Breaches

It is important to understand if personal data is not handled correctly, there must be processes in place to contain and recover, assess the ongoing risk, notify appropriate parties of the breach and evaluate and respond to the data protection breach.

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These are some examples of security incidents that may lead to the loss or compromise of personal data;

- Loss or theft of data or equipment on which data is stored;
- Inappropriate access controls allowing unauthorized use;
- Equipment failure;
- Human error;
- Unforeseen circumstances such as a fire or flood;
- Hacking attack;
- 'Blagging' offences where information is obtained by deceiving the organisation who holds it

The above are examples of events that may lead to a data protection breach but if you are unsure then please seek further advice from the Data Manager.

1.7.1 Data Protection Breach Process

If you are involved in an incident as defined in the examples above or determined by the Data Manager as a data protection breach, then you must:

1. Contact the ICT Service Desk on 0121 380 6666 to record the event as a data protection breach.
2. The ICT Service Desk will liaise with the Data Manager to determine the course of action to manage the incident.
3. The SIRO and relevant SET members will be notified of incident via an initial report.
4. The Data Manager will manage the incident to conclusion and ensure that a log of the incident and all actions taken is maintained to identify trends or areas of weakness.
5. Post incident, an investigation will be instigated and the outcomes will be reported to the SIRO and members of SET.

Management reports on data breaches will be sent out periodically to the SIRO and SET to ensure management are aware of potential risks to the authority.

2. Schedule 2 Conditions (Data Protection Act 1998)

Schedules 2 and 3 set out specific conditions that have to be met before processing of personal data can take place; these relate to the first of the 8 principles. The conditions are different for sensitive data and non-sensitive data.

Broadly, **non-sensitive data** is not to be processed unless at least **one** of the following conditions has been met:

- The data subject has given their consent to the processing
- The processing is **necessary** for the performance of a contract to which the data subject is party (the employment contract), or for taking steps to enter into such a contract
- The Data Controller has to process the information in order to comply with non-contractual legal obligations (such as health and safety obligations)
- The processing is **necessary** to protect the vital interests of the data subject
- The processing is **necessary** for the administration of justice, exercise of crown functions, or the exercise of any other functions of a public nature exercised in the public interest
- The processing is **necessary** for the purposes of legitimate interests pursued by the data controller or by the third party or parties to whom the data is disclosed, except where the processing is unwarranted in any particular case because of prejudice to the rights and freedoms or legitimate interests of the data subject. The Secretary of State may by order specify particular circumstances in which this condition is, or is not, to be taken to be satisfied

3. Schedule 3 Conditions (Data Protection Act 1998)

In the case of sensitive data, processing is permitted only if at least one of the following conditions is met:

- The data is of sensitive personal nature consisting of information as to racial or ethnic origin
- The individual has given their explicit consent to the processing
- The processing is necessary for the purposes of exercising or performing any right conferred or obligation imposed by law on the Data Controller in connection with employment

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- The processing is necessary to protect the vital interests of the individual in a case where either the consent cannot be given (incapacity, for example) or else the Data Controller cannot reasonably be expected to obtain consent (for example, the individual cannot be contacted despite various attempts over a considerable length of time)
- The processing is carried out in the course of its legitimate activities by anybody or association not established for profit and which exists for political, philosophical or trade union purposes, and which relates only to individuals who are members of that body
- The individual has already made the information public, by taking deliberate steps
- The processing is necessary for the purpose of or in connection with legal proceedings, obtaining legal advice or establishing or exercising or defending legal rights
- The processing is necessary for the administration of justice or exercise of crown functions
- The processing is necessary for medical purposes and is undertaken by a health professional
- The personal data are processed in circumstances specified in an order made by the Secretary of State.

Information Commissioner's Office

The Information Commissioner's Office is the data protection regulator for the United Kingdom. Its responsibility is to publish guidance on and enforce compliance with the Data Protection Act 1998, Freedom of Information Act 2000, Environmental Information Regulations 2004 and the Electronic Information Regulations 2003.

4. Principles of the Data Protection Act 1998

4.1 *Principle 1 - fair processing*

The Data Protection Act 1998 states that the manager cannot hold personal data unless you meet at least one criterion from Schedules 2 and 3 of the Act.

If the organisation does not meet at least one criterion, then there will be in breach of the Act.

Personal data shall be processed fairly and lawfully and, in particular, shall not be processed unless:

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- at least one of the conditions is met
- in the case of sensitive personal data, at least one of the conditions is also met

Any activity whatsoever that involves personal information – held electronically or manually, such as obtaining, recording, holding, disseminating or making available the information, or carrying out any operation or set of operations on the information. It includes organising, adapting, amending and processing the information, retrieval, consultation, disclosure, erasure or destruction of the information. **It is difficult to envisage any activity which does not amount to processing and consideration should be given to conducting a Privacy Impact Assessment (PIA) when embarking on projects and/or activities that may involve processing personal data.**

If the organisation or the employee holds any data that matches any of the above criteria, then they will have to legitimise why they are holding this data. The organisation or employee will also be in breach of the Act if it cannot legitimise the reason for holding the data even if it does match one of the criteria. If data controllers or data users are at all unsure regarding what is a legitimate reason for holding the data, they should seek the advice of the Data Protection Officer.

The processing of data for the purposes of carrying out of 'directed' and intrusive covert surveillance; the use of covert human intelligence sources; the interception of communications; and the acquisition and disclosure of communications data is covered under the Regulation of Investigatory Powers Act 2000 (RIPA).

Principle 2 - compatible purposes

Personal data shall be obtained for only one or more specified and lawful purposes, and shall not be further processed in any manner incompatible with that purpose or those purposes.

Principle 3 - extent of data

Personal data shall be adequate, relevant and not excessive in relation to the purpose or purposes for which they are processed.

Principle 4 - data accuracy

Personal data shall be accurate and, where necessary, kept up to date.

Principle 5 - retention period

Personal data processed for any purpose or purposes shall not be kept for longer than is necessary for that purpose or purposes.

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Principle 6 - Data Subject Rights

Personal data shall be processed in accordance with the rights of data subjects under this Act. Data subjects include service users, employees including temporary and volunteers and those communities we serve.

The rights that are applicable to all data subjects are:

- Right to be informed that processing is being undertaken
- Right to access personal data
- Right to prevent processing in certain circumstances
- Right to rectify, block or erase data
- Right to claim compensation for certain breaches of the Act

Principle 7 - security and management of data

Appropriate technical and organisational measures shall be taken against unauthorised or unlawful processing of personal data and against accidental loss of, destruction of, or damage to personal data.

Principle 8 - foreign data transfer

Personal data shall not be transferred to a country or territory outside the European Community unless that country or territory ensures an adequate level of protection for the rights and freedoms of data subjects in relation to the processing of personal data.

4.2 PERSONAL INFORMATION

Personal information can be obtained from a number of sources, from the employee themselves, from the circumstances of their employment for example, salary information, from their progression through the organisation or from development, training and assessment situations.

This information then allows the organisation to plan and formulate policies and strategies and, in some instances, to conform to legislative requirements. Planning, policy and strategy formulation depends on information which is effective and accurate and will enable the organisation to recruit, train and develop employees to their full potential, to be as effective as possible within the organisation and to provide good service to our community.

It is the intention of the Service to hold information electronically where possible, in preference for paper based records.

Personal information on an employee must be held and maintained for a

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legitimate purpose which could include:

- As part of the recruitment process;
- To ensure a full and accurate account of the individual's employment history;
- To ensure payment of the correct level of salary, pension, and sick pay;
- To ensure that the proper levels of training are conducted for the specific role;
- To ensure emergency contact details are available;
- To provide the organisation with data from which management information can be obtained enabling policy and strategy formulation;
- To comply with legal obligations; and
- Equality and diversity monitoring.

If information is withheld or not updated an employee may not receive benefits to which they are entitled.

Personal Record File contents

Computerised Personal Record File

A computerised Personal Record File will hold the following information:

Type of information	Content	Purpose	Duration held
Employment	Original application form Employment references Qualification certificates Contract of employment (inc. relevant role profile)	Recruitment Recruitment Recruitment Recruitment Emergency	Minimum duration life of employment and 6 years after.

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	<p>Next of kin information</p> <p>Details of promotion, and successful applications</p> <p>Transfers, successful requests and requests refused</p>	<p>contacts</p> <p>Career progression</p> <p>Equality and Diversity monitoring</p>	
Attendance	<p>Sickness record, PR25, Doctor's certificates</p> <p>Exemptions granted</p> <p>Correspondence issued under the Attendance Management Policy</p> <p>Copies of injury reports</p> <p>Attendance record cards</p> <p>Maternity leave applications</p> <p>Applications for special leave</p> <p>Parental leave applications</p> <p>Paternity leave applications</p> <p>Adoption leave applications</p> <p>PR12 Injury Report Forms</p>	<p>Sickness payments</p> <p>Management of attendance</p> <p>Maternity payments</p> <p>Management of attendance and appropriate payments</p> <p>Accident information</p>	<p>Minimum duration life of employment and 6 years after.</p>

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Training	<p>Training courses nominations and results of attendance</p> <p>Examination results</p> <p>Application for post entry training</p> <p>Qualification certificates</p>	<p>Job competency and development</p> <p>Development</p> <p>Requirement of post entry training funding</p> <p>Development</p>	<p>Minimum duration life of employment and 6 years after.</p>
Performance	<p>Assessments/ advice/monitoring of performance</p> <p>IPDR form</p>	<p>Management of performance</p> <p>Personal development and review</p>	<p>Minimum duration life of employment and 6 years after</p>
Awards/ Achievements	<p>Compliments,</p> <p>Letters of thanks</p> <p>Achievements</p> <p>Letters of commendation</p>	<p>Personal achievement</p>	<p>Minimum duration life of employment and 6 years after</p>
Discipline	<p>Records of any disciplinary action taken, and associated papers where necessary</p>	<p>Management of discipline</p>	<p>Minimum duration life of employment and 6 years after</p>
General Correspondence	<p>General correspondence that does not fall within any</p>	<p>For example 'Request for reference'</p>	<p>Minimum duration life of employment and 6 years after</p>

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	of the categories above.		
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Local Personal Record File

A Personal Record File maintained at the location of the individual must only contain the following items of information:

Section	Content	Purpose	Duration held
Training records	Permit to work	Job competency and development	Duration of employment
Performance	Assessments or warnings on performance	Management of Performance	Until end of warning of monitoring or improvement (then sent to PSS for PRF held for duration of employment)
	IPDR	Personal development and review	Duration of employment
Attendance Management Information	Absence data	Monitoring	Duration of employment?

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WEST MIDLANDS FIRE AND RESCUE AUTHORITY

Item 6

AUDIT COMMITTEE

12 JUNE 2017

1. ANNUAL INTERNAL AUDIT REPORT – 2016/17

Report of the Audit Services Manager.

RECOMMENDED

THAT the Annual Internal Audit report for 2016/17 be approved.

2. PURPOSE OF REPORT.

- 2.1 This report is submitted for member comment and approval.

3. BACKGROUND

- 3.1 The attached report details the work of the internal audit service undertaken in 2016/17. It provides an opinion on the adequacy and effectiveness of the Authority's governance, risk management and internal control processes.
- 3.2 The contents of the report also provide one element of the evidence that is required to underpin the Authority's Governance Statement.
- 3.3 It summarises the audit work undertaken during the year in a tabular format, this includes:
- the areas subject to review during the year (Auditable Area)
 - the level of risk to the Authority assigned to each auditable area (high, medium or low)
 - the number of recommendations made as a result of each audit review
 - details of any other work undertaken outside of the original plan

Finally it provides a summary of the key control issues that arose during the year.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out. The matters contained in this report will not lead to and/or do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

The Accounts and Audit Regulations Act states that a relevant body must “maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper internal audit practices”.

6. **FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from this report.

7. **BACKGROUND PAPERS**

Annual Internal Audit Report 2016/17.

Peter Farrow
Audit Services Manager, Sandwell MBC

Annual Internal Audit Report – 2016/17

Audit Committee – 12 June 2017



Section		Page
1	Introduction	3
2	Internal Audit Opinion	4
3	Performance of the Audit Service	5
4	Summary of Work Undertaken & Key Issues Arising	7

1 Introduction

- 1.1 Our internal audit work for the period from 1 April 2016 to 31 March 2017 was carried out in accordance with the approved Internal Audit Plan. The plan was constructed in such a way as to allow us to make a statement on the adequacy and effectiveness of the Authority's governance, risk management and control processes.

In this way our annual report provides one element of the evidence that underpins the Governance Statement the Authority is required to make within its annual financial statements. This is only one aspect of the assurances available to the Authority as to the adequacy of governance, risk management and control processes. Other sources of assurance on which the Authority may rely could include:

- The work of the External Auditors (currently Grant Thornton)
- The result of any quality accreditation
- The outcome of visits by HMRC
- Other pieces of consultancy or third party work designed to alert the Authority to areas of improvement
- Other external review agencies

- 1.2 The definition of internal audit, as described in the Public Sector Internal Audit Standards, is set out below:

"Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."

Overall Assurance

- 1.3 As the providers of internal audit, we are required to provide the Fire Authority with an opinion on the adequacy and effectiveness of the governance, risk management and control processes. In giving our opinion it should be noted that assurance can never be absolute. The most that internal audit can provide is reasonable assurance that there are no major weaknesses in the Authority's governance, risk management and control processes. In assessing the level of assurance to be given, we have taken into account:

- All audits undertaken for the year ended 31 March 2017;
- Any follow-up action taken in respect of audits from previous periods;
- Any significant or fundamental recommendations not accepted by management and the consequent risks;
- Any limitations which may have been placed on the scope of internal audit; and
- The extent to which any resource constraints may impinge on the ability to meet the full audit needs of the Authority.

2 Internal Audit Opinion

2.1 We have conducted our audits in accordance with the Public Sector Internal Audit Standards. Within the context of the parameters set out in paragraph 1.3 above, our opinion is as follows:

2.2 Based on the work undertaken during the year and the implementation by management of the recommendations made, Internal Audit can provide ***reasonable assurance** that the Fire Authority has an adequate and effective framework of governance, risk management and control.

*We are pleased to report that this is an unqualified opinion and the highest level of assurance available to Audit Services. As stated in paragraph 1.3 "In giving our opinion it should be noted that assurance can never be absolute. The most that internal audit can provide is reasonable assurance that there are no major weaknesses in the Authority's governance, risk management and control processes".

Factors Influencing the Opinion and Issues Relevant to the Statement on Internal Control

- 2.3 In reaching this opinion, the following factors were taken into particular consideration:
- The need for management to plan appropriate and timely action to implement both our and the External Auditor's recommendations.
 - Key areas of significance, identified as a result of our audit work performed in year are detailed in the Appendix to this report.
- 2.4 The overall opinion can be used by the Authority in the preparation of the Governance Statement.
- 2.5 Internal audit activity is organisationally independent and further details behind the framework within which internal audit operates, can be found in the internal audit charter.

3 Performance of the Audit Service

Compliance with the Public Sector Internal Audit Standards



During the year we complied with the revised Public Sector Internal Audit Standards which specify rules of conduct for objectivity, due professional care and confidentiality.

Customer Satisfaction

Customer satisfaction questionnaires are issued for all audits. From the responses returned, the average scores were as follows:

Question	2016/17
Usefulness of audit	4.4
Value of recommendations	4.5
Usefulness of initial discussions	4.4
Fulfilment of scope & objectives	4.6
Clarity of report	4.7
Accuracy of findings	4.6
Presentation of Report	4.5
Time span of audit	4.3
Timeliness of audit report	4.3
Consultation on findings/recommendations	4.7
Helpfulness of auditors	4.6
Overall Satisfaction with Audit Services	4.5

Scores range between 1 = Poor and 5 = very good. We have a target of achieving on average a score of **4 = good**.

Quality Assurance and Improvement Programme

Sandwell Audit Services have a Quality Assurance and Improvement Programme. During the year, the internal audit activity has followed this programme and there have been no significant areas of non-conformance or deviations from the standards as set out in the Public Sector Internal Audit Standards

Staff are recruited, trained and provided with opportunities for continuing professional development. Staff are also supported in order to undertake relevant professional qualifications. All staff are subject to a formal staff appraisal process, which leads to an identification of training needs. In this way, we ensure that staff are suitably skilled to deliver the internal audit service. This includes the delivery of specialist skills which are provided by staff within the service with the relevant knowledge, skills and experience.

Advice and assistance

Finally, throughout the year we provide ongoing advice and assistance to all areas of the Fire Authority on internal control and related issues, including on the development of an assurance framework.

4 Summary of Work Completed to inform the 2016/17 Internal Audit Opinion

A detailed written report and action plan is prepared and issued for every internal audit review. The responsible officer will be asked to respond to the report by completing and returning the action plan. This response must show what actions have been taken or are planned in relation to each recommendation. If the recommendation is not accepted, this must also be stated. Audit Services are responsible for assessing whether the managers response is adequate.

Where appropriate each report we issue during the year is given an overall opinion based on the following criteria:

	Level	System Adequacy	Control Application
(positive opinions)	Substantial Assurance	Robust framework of controls ensures objectives are likely to be achieved.	Controls are applied continuously or with minor lapses.
	Satisfactory Assurance	Sufficient framework of key controls for objectives to be achieved, but control framework could be stronger.	Controls are applied, but with some lapses.
(negative opinion)	Limited Assurance	Risk of objectives not being achieved due to the absence of key internal controls.	Significant breakdown in the application of controls.

This is based upon the number and type of recommendations we make in each report. Each recommendation is categorised in line with the following:

Fundamental	Action is imperative to ensure that the objectives for the area under review are met.
Significant	Requires action to avoid exposure to significant risks in achieving the objectives for the area under review.
Merits attention	Action advised to enhance control or improve operational efficiency.

During the year we made the following number of recommendations:

Fundamental	0
Significant	5
Merits attention	0
Total	5

The following appendices/tables below list of all the reports issued by internal audit during 2016/17, alongside their original Assessment of Assurance Need (AAN) risk score, the number and type of recommendations made, whether those recommendations have been accepted and an overall level of assurance for each review.

Summary of Internal Audit Work Completed for the 2016/17 Internal Audit Opinion

Auditable Area	ANA Rating	Recommendations					Level of Assurance
		Fundamental	Significant	Merits attention	Total	Number accepted	
Accounts Receivable	KFS	-	-	-	-	-	Substantial
Accounts Payable	KFS	-	-	-	-	-	Substantial
Fixed Asset Accounting/Asset Planning	KFS	-	-	-	-	-	Substantial
Payroll	KFS	-	-	-	-	-	Substantial
Budgetary Control	KFS	-	-	-	-	-	Substantial
Pension Certification	High	-	-	-	-	-	-
Governance	High	-	1	-	1	1	Substantial
Risk Management	High	*	*	*	*	*	*
Data Protection/IT	High	-	4	-	4	4	Limited
Absence Management	Medium	*	*	*	*	*	*
Partnerships	Medium	Carried forward to 2017/18 plan					
Total		-	5	-	5	1	

Key	
KFS	Key Financial System (reviewed in line with External Audit requirements). Generally this is also a high risk review.
*	At the time of the preparation of this report, our review of this area was underway and nearing completion. No key issues had been identified during the review that would impact upon our overall audit opinion.

Key issues arising during the year

The following is a brief overview of the key issues identified during the year.

Accounts Receivable

A review of the accounts receivable system was undertaken to ensure that an effective system was in place for raising invoices and managing debtors. This included the integrity and reliability of charging information recorded in the accounts, the collection of payments and the process to monitor and report the debtor position.

Accounts Payable

A review of the accounts payable system was undertaken to ensure that adequate key controls were in place. Our review focused on the controls designed to prevent, overpayments, fraud and incorrect accounting.

Fixed Asset Accounting/Asset Planning

An audit of fixed asset accounting was undertaken in respect of planned capital expenditure. The review was undertaken to provide assurance that an appropriate process was in place to maintain details of fixed assets and to record them correctly in the accounts.

Payroll

A review of the payroll process was undertaken to ensure that the Fire Service had appropriate controls in place to mitigate the risk of fraud and error in the calculation, recording and payment of the payroll via BACS.

Budgetary Control

A review of the budgetary control system was undertaken to ensure the Fire Service had established its budget and was managing it appropriately. Our review covered controls over monitoring, reporting, changes to budgets and the process to link budgets to medium and long term plans.

Local Government Pension Scheme Certification

An audit was undertaken to assist with the provision of assurance on the accuracy of the 2015/16 return to the Local Government Pension Scheme. All tests proved satisfactory.

Governance

The review was based on the principles of the CIPFA/Solace document "Delivering Good Governance in Local Government: Framework" and focused on the demonstration of the values of good governance through upholding high standards of conduct and behaviour and the taking of informed and transparent decisions which are subject to effective scrutiny and management of risk. The review focused on two of the core principles:

- Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.

Only one issue of significance was identified, in that although the individual elements were in place to meet the requirements of the two principles reviewed, there was not a

policy which encapsulated the governance arrangements for the authority and which provided a centralised approach to evidencing compliance with the principles of good governance, as detailed by the CIPFA SOLACE guidance and the requirements of the Nolan report. Organisations are encouraged to develop and maintain an up to date code of governance, which details how an organisation will meet its governance requirements and evidences its application and effectiveness.

Risk Management

An audit of the risk management processes was undertaken. Our review focused on providing assurance that the mitigating controls for risk CR6 – relating to business continuity and preparedness, were being effectively operated and monitored. At the time of reporting, this review was being finalised.

Data Protection/IT

A review of data protection was undertaken to provide assurance that the necessary safeguards were in place to ensure the appropriate use of personal and corporate information and where data breaches occurred, they were managed effectively. The review identified issues of significance relating to:

- There were no procedures in place for defining/reporting data breaches.
- There was not an effective training regime in place to educate employees on the importance of data protection and their responsibilities for it.
- Data breaches were not documented and recorded.
- Data breaches were not reported to management.

Although only three data breaches had been reported to the Data Manager, due to the lack of formal policies and processes being in place and the low take up of training by employees, little assurance could therefore be provided that all data breaches were being identified and dealt with appropriately and in a consistent manner. As such, the Authority could be exposed to the risk of continued data breaches and potential sanctions being applied by the Information Commissioner's Office.

It should be noted however, that management has recognised the importance of these issues as part of the Management of Information plan and has taken prompt action to address these matters. Protocols have been agreed and put in place, which if complied with, will strengthen the control environment. A follow up review will be undertaken as part of the 2017/18 plan and an assurance update provided to management and the Audit Committee.

Absence Management

A review of absence management was undertaken to provide assurance of compliance with the requirements of the absence management policy and that employees received appropriate support to promote a return to work at the earliest opportunity. At the time of reporting, this review was being finalised.

Follow Up

A review of actions taken in response to recommendations from the 2015/16 audits was completed. All recommendations had been implemented.

Other areas of assistance provided

Audit Committee – Self Assessment of Good Practice and Effectiveness

The Audit Committee commenced a self-assessment of good practice and effectiveness exercise, based on the model provided by the Chartered Institute of Public Finance and Accountancy (CIPFA) in their Audit Committees – Practical Guidance for Local Authorities. We are facilitating this exercise.

CIPFA – Audit Committee Updates

We continue to present the regular CIPFA Audit Committee Updates to the Audit Committee.

Audit Committee – Terms of Reference

We submitted the Audit Committee Terms of Reference for annual review at the March 2017 meeting of the Audit Committee.

Internal Audit Plan 2016/17

We submitted the Internal Audit annual plan for 2017/18 to the committee for approval at the March 2017 meeting.

Internal Audit Annual Report 2015/16

We presented the Internal Audit annual report for 2015/16 to the committee for comment and approval at the June 2016 meeting.

Audit Committee Annual Report

We provided assistance in the preparation of the Annual Report of the Chair, on the work of the Audit Committee.

Counter Fraud

We continue to lead on the Cabinet Office's National Fraud Initiative and their other associated fraud related activity (such as the Annual Fraud Survey), on behalf of the Authority and to provide the main point of contact for any investigations into potential fraudulent activity.

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

Item 7

AUDIT COMMITTEE

12 JUNE 2017

1. ANNUAL REPORT OF THE AUDIT COMMITTEE 2016/17

Report of the Chair of the Audit Committee.

RECOMMENDED

That the Committee gives consideration to the content and format of its Annual Report 2016/17 for submission to the next full meeting of the Authority.

2. PURPOSE OF REPORT

This report is submitted to members to seek approval to the Annual Report of the Audit Committee 2016/2017

3. BACKGROUND

- 3.1 In order for the Authority to be fully effective in comprehending and assessing the control environment within which West Midlands Fire Service operates, the Audit Committee present an annual report of its activities to the Authority.
- 3.2 A draft Annual Report for 2016/17 has been prepared by the Chair of the Audit Committee and is attached for comments by the Committee in preparation for submission of the report to the next Authority meeting.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out because the matters contained in this report do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

The Authority has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

6. **FINANCIAL IMPLICATIONS**

The Accounts and Audit Regulations Act states that a relevant body must “maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper internal audit practices”.

BACKGROUND PAPERS

Annual Internal Audit Report 2016/17.

Tersaim Singh
Chair of the Audit Committee

Annual Report of the Audit Committee 2016/17

1. Background

The Audit Committee was established by the Fire Authority in January 2008. Its purpose is to provide:

- independent assurance on the adequacy of the risk management framework and the associated control environment,
- independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to
- oversee the financial reporting process.

The key benefits of the Committee can be seen as:

- Increasing public confidence in the objectivity and fairness of financial and other reporting.
- Reinforcing the importance and independence of internal and external audit and similar review processes.
- Providing additional assurance through a process of independent review.
- Raising awareness of the need for internal control and the implementation of audit recommendations.

The Terms of Reference for the Committee can be found at Appendix A of this report.

2. Meetings

During 2016/17 the Committee met on the following dates:

- 6 June 2016
- 25 July 2016
- 5 September 2016
- 14 November 2016
- 16 January 2017
- 27 March 2017

3. Committee members and attendance record

	6/06/16	25/07/16	5/09/16	14/11/16	16/01/17	27/03/16
Councillor T Singh	√	√	√	√	√	X
Councillor Aston	√	√	√	√	√	√
Councillor B Singh			√	√	√	√
Councillor Idrees			√	√	√	√
Councillor P Singh	√	X	√	√	√	X
Councillor Barrie		√				
Councillor Sealey	√	X	√	X	√	√
Councillor Barlow				√		√
Councillor Mottram						√
Mr M Ager	√	X	√	X	√	√

4. The Committee's business

During the year the Committee conducted the following business:

<p>Governance Statement – 2015/16</p> <p>Corporate Risk – Regular Updates</p> <p>Audit Committee Annual Report – 2015/16</p> <p>Audit Committee – Terms of Reference Review</p> <p>Audit Committee – Self Assessment of Good Practice</p> <p>Audit Committee Work Programme</p> <p>Statement of Accounts 2015/16</p>	<p>CIPFA Audit Committee Updates</p> <p>Updates on Topical, Legal and Regulatory Issues</p> <p>Treasury Management Annual Report – 2015/16 (and Mid-Year Review)</p> <p>Monitoring Policies on Raising Concerns at Work – Whistleblowing Policy</p> <p>Arrangement for the Appointment of External Auditors</p> <p>Breach of Disclosure Regulations</p>
<p>External Audit Plan 2016/17</p> <p>External Audit Findings Report</p> <p>External Audit – Annual Audit Letter 2015/16</p> <p>External Audit – Audit Committee Updates</p> <p>External Audit – Communication with the Audit Committee</p>	<p>Internal Audit Annual Report - 2015/16</p> <p>Internal Audit Progress Reports</p> <p>Internal Audit Charter – Annual Review</p> <p>Internal Audit Plan – 2017/18</p>
<p>Notification of Submission of the Annual Scheme Return to the Pension Regulator</p> <p>The Pension Regulator – Public Service Governance Survey</p> <p>Minutes of the Pensions Board</p>	

5. Conclusion

The Committee was able to confirm:

- That the system of internal control, governance and risk management in the Authority was adequate in identifying risks and allowing the Authority to understand the appropriate management of these risks.
- That there were no areas of significant duplication or omission in the systems of internal control, governance and risk management that had come to the Committee's attention, and had not been adequately resolved.

6. Sources of assurance

The Committee gained assurance in order to produce the above conclusion, from the following sources:

The work of Internal Audit

The Internal Auditors gave the following opinion in their Annual Report for 2016/127:

*Based on the work undertaken during the year and the implementation by management of the recommendations made, Internal Audit can provide *reasonable assurance that the Fire Authority has adequate and effective governance, risk management and internal control processes. *We are pleased to report that this is an unqualified opinion and the highest level of assurance available to Audit Services. In giving our opinion it should be noted that assurance can never be absolute. The most that internal audit can provide is reasonable assurance that there are no major weaknesses in the Authority's governance, risk management and control processes".*

The work of the External Auditors

During the year the external auditors (Grant Thornton) reported back to the Audit Committee on a number of occasions as detailed in section 4 above. No issues of any significant concern were raised.

The Governance Statement

The Governance Statement operated throughout the year ended 31 March 2017 and up to the date of the approval of the annual report and accounts. The systems to ensure the management of the risks have been shown to be sound.

Risk Management

The Committee regularly receives and reviews the Authority's Corporate Risk Register, and assesses the assurance provided in order to demonstrate how risks are being mitigated.

7. The Committee's main achievements

The Committee believes its key achievements during the year were:

- Continuing to build a good working relationship with the Authority's external auditors Grant Thornton.
- Receiving and reviewing a number of useful sector updates from the external auditors.
- Following the final abolition of the Audit Commission, continuing to maintain an awareness of the likely changes to the appointment of external auditors through the Local Audit and Accountability Act.
- Reviewing the Committee's Terms of Reference in order to ensure they remain fit for purpose.
- Providing additional assurance through a process of on-going independent review.
- Raising the profile of internal control issues across the Authority and of the need to ensure that audit recommendations are implemented.
- Regular consideration and review of the Authority's Risk Register and accompanying assurances.
- Building the skills and knowledge of Committee members through regular technical updates and the consideration of related guidance issued by CIPFA.
- The continued presence of an independent member in order to broaden the Committee's experience and independent view point.

Terms of Reference for the Committee

Terms of Reference were reviewed in order to ensure that they remained fit for purpose, and that they reflected guidance provided in the Chartered Institute of Public Finance and Accountancy (CIPFA) Audit Committees – Practical Guidance for Local Authorities 2013 Edition:

Statement of purpose

Our Audit Committee is a key component of the Authority's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of our Audit Committee is to provide independent assurance to the Members of the adequacy of the risk management framework and the internal control environment. It provides independent review of the governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

Governance, risk and control

To review the Authority's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.

To review the annual governance statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control.

To consider the Authority's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.

To consider the Authority's framework of assurance and ensure that it adequately addresses the risks and priorities of the Authority.

To monitor the effective development and operation of risk management in the Authority.

To monitor progress in addressing risk-related issues reported to the Committee.

To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

To review the assessment of fraud risks and potential harm to the Authority from fraud and corruption.

To monitor the counter-fraud strategy, actions and resources.

Internal Audit

To approve the internal audit charter.

To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.

To approve risk based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.

To approve significant interim changes to the risk-based internal audit plan and resource requirements.

To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitations.

To consider reports from the head of internal audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:

- Updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work;
- Regular reports on the results of the quality assurance and improvement programme;
- Reports on instances where the internal audit function does not conform to the Public Sector Internal Audit Standards and Local Government Application Note, considering whether the non-conformance is significant enough that it must be included in the annual governance statement.

To consider the head of internal audit's annual report:

- The statement of the level of conformance with the Public Sector Internal Audit Standards and Local Government Application Note and the results of the quality assurance and improvement programme that supports the statement - these will indicate the reliability of the conclusions of internal audit.
- The opinion on the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control together with the summary of the work supporting the opinion - these will assist the committee in reviewing the annual governance statement.

To consider summaries of specific internal audit reports as requested.

To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.

To contribute to the quality assurance and improvement programme and in particular, to the external quality assessment of internal audit that takes place at least once every five years.

To consider a report on the effectiveness of internal audit to support the annual governance statement, where required to do so by the Accounts and Audit Regulations.

To support the development of effective communication with the head of internal audit.

External Audit (Grant Thornton)

To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.

To consider specific reports as agreed with the external auditor.

To comment on the scope and depth of external audit work and to ensure it gives value for money.

To commission work from internal and external audit.

To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

Financial Reporting

To receive detailed training in respect of the process associated with the preparation, sign off, audit and:

To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Authority.

To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Accountability arrangements

To report to those charged with governance on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.

To report to full Authority on a regular basis on the Committee's performance in relation to the terms of reference, and the effectiveness of the Committee in meeting its purpose.

Notes of the Pension Board

Tuesday 9 May 2017 at 1030 hours
at Fire Service Headquarters, Vauxhall Road, Birmingham

Present:	Neil Chamberlain Wendy Browning-Sampson Kal Shoker	Independent Chair Employer Representative Employer Representative
Apologies:	Stuart Bourne Andy Dennis	Employee Representative Employee Representative
Officer:	Paul Gwynn Pension Advisor	Payroll and Pension Manager

21/17 Declarations of Interest

There were no declarations of interest on this occasion.

22/17 Progress Report on Action Plan for Production of Annual Benefit Statement

Further to the Extraordinary meeting of the Pensions Board held on 25 October 2016, the Pension Adviser outlined the details of the Breach of Disclosure Regulations by the failure to issue an Annual Benefit Statement to all scheme members by 31 August 2016 for the benefit of the Board, and the action plan required to avoid a recurrent of the delay when Annual Benefit Statements are issued in 2017.

Action to prevent a recurrence in 2017

To avoid a recurrence of the delay when statements are issued in 2017 the following process will be used.

1. Membership data will be checked during the period January to March 2017. This is to ensure that all records are updated as needed with the correct scheme information.
2. Discussions will take place with the Admin team to ensure that they will have an appropriate level of staff availability to envelope and distribute the statements.

3. The documents to be produced will be reviewed during March 2017 to ensure that they are as uniform as possible and hold all the required data.
4. Payroll data will be loaded to ALTAIR at the earliest opportunity after 31st March 2017.
5. A test batch of statements for each of the 4 groups will be produced by 30th April 2017. Any errors will be notified to Aquila Heywood as soon as discovered and a fix will be requested.
6. An informal Pension Board meeting will be held during May to monitor progress of this action plan and to consider alternative solutions should any issue be encountered.
7. The test batch will be reprocessed following delivery of any fix.
8. If no errors remain unfixed statements will be printed during July 2017 and issued during August to ensure receipt prior to 31st.
9. If errors remain at 30th June these will be escalated to Aquila Heywood management team and statements will be produced for all members unaffected during July as planned.
10. Any statements which are still in error at 31st July will be amended and issued manually.

A briefing note confirming the progress against the action plan is attached to these notes.

The Adviser had looked at his Section and the management of the workload to ensure there was no repetition.

All work has been amended with software.

User group have input into the design of the statement

The statement will be different

The Advisers/User Group felt this was good for the LGPS but not for the Firefighters Pension Scheme.

Revised the statement – new schemes.

Old style statement -

Everyone will now get a modified statement this year.

All Fire and Rescue Services will use the statement (tested) by Aquila Heywood.

The statement will include an estimate of benefits to be paid at normal pension age, the date Members are due to retire either 55 or when they have served 30 years or age 60.

From the 31 March 2017 the estimates will be for age 55 and age 60.

The Adviser had been part of the testing Working Party but had not consulted internally.

It was suggested that this could be shared with the Unions at the Joint Consultative Committee in June.

The Statements will continue to be provided as a paper version. Self-service had not been implemented due to costs.

It was noted that the LGPS statement are self-service but this obligatory.

Administration will be enveloping and posting the statements. Pensions team were currently working on the P60s.

Actions 4 and 5 had not been completed but the Pensions Team would have this work loaded onto Altair and completed by the 31 May 2017. A test batch of statements would then be produced.

If there were any problems the Adviser would inform the Kal Shoker and Wendy Browning-Sampson.

It was suggested that the Adviser request support from the Administration Team re the distribution of bulk work and to make them aware of the statutory requirements of the distribution of the statements and that it should be treated as a priority.

It was confirmed that the statements would be prepared for July and posted in August.

The test batch would be provided for the JCC meeting scheduled for 6 June 2017.

The Statements set out benefits, payments, service and any strike action dates. They can run to three pages in total and are printed on single pages.

There had been quite a few requests the previous year for reprints. The Statements had been posted to work addresses and 95% had reached the recipients. It was felt that an electronic self service system would overcome this problem.

It was agreed that an example of an Annual Benefit Statement would be provided at the next Pensions Board meeting in July.

The Adviser would email members of the Board if there were any issues.

An action plan/summary of work undertaken would be provided and the Risk Register would be updated.

23/17

The Adviser stated that a valuation of the scheme was awaited. The Chairman of the English Firefighters' Scheme Advisory Board had made a statement about this and he had asked for recommendations on how to reduce the number of administrators nationally.

A meeting of senior Fire Officers had been held and attended by the Deputy Chief Fire Officer and Strategic Enabler (Finance and Resources). There didn't appear to be an appetite for regionalisation and Hereford and Worcester were tendering for a pension provider. It was noted that West Yorkshire provide LGPS and Fire Pension Fund services for several organisations.

Opportunities for collaboration were being considered for regional provision.

The meeting closed at 1200 hours.

Julie Connor Strategic Hub 0121 380 6906 Julie.Connor@wmfs.net

Briefing Note – Breach of Disclosure regulations
Failure to issue an Annual Benefit Statement to all scheme members by 31st
August 2016 – Update for Emergency Pension Board meeting May 2017

1. Background

West Midlands Fire Service experienced a breach of the Disclosure Regulations during 2016 and reported this to The Pension Regulator. Following the breach and action plan was agreed to prevent the same issue from occurring during 2017. This note provides an update for Pension Board members on the progress against that action plan.

1. Membership data will be checked during the period January to March 2017. This is to ensure that all records are updated as needed with the correct scheme information.

Item Completed on target

2. Discussions will take place with the Admin team to ensure that they will have an appropriate level of staff availability to envelope and distribute the statements.

Discussions have taken place and will continue to do so as we move towards the date when the statements will be issued.

3. The documents to be produced will be reviewed during March 2017 to ensure that they are as uniform as possible and hold all the required data.

Documents have been reviewed in consultation with the software supplier and other Fire and Rescue Authorities.

4. Payroll data will be loaded to ALTAIR at the earliest opportunity after 31st March 2017.

Payroll Data has been loaded by 31st May 2017.

5. A test batch of statements for each of the 4 groups will be produced by 30th April 2017. Any errors will be notified to Aquila Heywood as soon as discovered and a fix will be requested.

Test batches not yet run due to delay in loading of pay data. Test batches will be run during May and provided to Staff Representative bodies at June JCC.

6. An informal Pension Board meeting will be held during May to monitor progress of this action plan and to consider alternative solutions should any issue be encountered.

Meeting taking place and this report is provided to inform that meeting,

7. The test batch will be reprocessed following delivery of any fix.

On Target

8. If no errors remain unfixed statements will be printed during July 2017 and issued during August to ensure receipt prior to 31st.

On Target

9. If errors remain at 30th June these will be escalated to Aquila Heywood management team and statements will be produced for all members unaffected during July as planned.

On Target

10. Any statements which are still in error at 31st July will be amended and issued manually.

On Target

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT COMMITTEE WORK PROGRAMME 2016/17

Date of Meeting	Item	Responsible Officer	Completed
2016			
25 July	Audit Findings 2015/16 Statement of Accounts 2015/16 (Approval) Treasury Management Annual Report 2015/16 Corporate Risk Update Self-Assessment CIPFA Audit Committee Update Minutes of the Audit Committee held on 6 June 2016 Audit Committee Draft Work Plan 2016/17	Grant Thornton Grant Thornton Treasurer Director of Service Support Internal Auditor Internal Auditor Democratic Officer	
5 September	Corporate Risk Six Monthly Report Audit Committee Update Minutes of the Audit Committee held on 25 July 2016	Director of Service Support Grant Thornton Democratic Officer	

[IL0: UNCLASSIFIED]

	Work Programme 2016/17		
19 September [Authority]	Audit Findings 2015/16 Statement of Accounts 2015/2016 (note)	Grant Thornton Treasurer	

14 November 2016	Treasury Management – Mid year review 2016/17 Appointment of the External Auditor Annual Audit Letter 2015/16 Audit Committee Update Internal Audit Progress Report Assessment of Good Practice and Effectiveness Breach of Disclosure Regulations Corporate Risk Briefing Document Minutes of the Audit Committee held on 5 September 2016 Audit Committee Work Plan Minutes of the Pension Board held on 11 July 2016	Treasurer Treasurer Grant Thornton Grant Thornton Audit Manager Audit Manager DCFO DCFO Democratic Officer Democratic Officer	
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2017			
16 January 2017	Internal Audit Progress Report Internal Audit Charter – Annual Review Audit Committee Update Minutes of the Audit Committee held on 14 November 2016	Audit Manager Audit Manager Grant Thornton Democratic Officer	

	Audit Committee Work Plan	Democratic Officer	
27 March 2017	<p>Audit Committee Update</p> <p>Communication with the Audit Committee for WMFRA</p> <p>Audit Plan 2016/17</p> <p>Internal Audit Plan 2017/18</p> <p>Audit Committee Terms of Reference</p> <p>External Audit Work Programme and Scale of Fees</p> <p>Corporate Risk Report Six Monthly Update</p> <p>Minutes of the Pensions Board held on 6 February 2017</p> <p>The Pension Regulator – Public Service Governance Survey 2016</p> <p>Minutes of the Audit Committee held on 16 January 2017</p> <p>Audit Committee Work Plan</p> <p><i>Committee Members' Private meeting with Internal Auditors (to follow Committee)</i></p>	<p>Grant Thornton</p> <p>Grant Thornton</p> <p>Grant Thornton</p> <p>Audit Manager</p> <p>Audit Manager</p> <p>Director of Service Support</p> <p>Director of Service Support</p> <p>Pensions Board Representative</p> <p>Pensions Board Representative</p> <p>Democratic Officer</p> <p>Democratic Officer</p> <p><i>Audit Manager</i></p>	

12 June 2017	<p>Annual Internal Audit Report 2016/17</p> <p>Governance Statement 2016/17</p> <p>Monitoring Policies and RIPA (Annual Whistleblowing Report)</p> <p>Annual Report of the Audit Committee for approval</p> <p>Audit Committee – Verbal Update</p> <p>Minutes of the Audit Committee held on 27 March 2017</p> <p>Audit Committee Work Plan</p> <p>Minutes of the Pension Board held on 9 May 2017</p> <p><i>Committee Members’ Private meeting with External Auditors</i></p> <p><i>Workshop for Members on Statement of Accounts 2016/17</i></p>	<p>Audit Manager</p> <p>Treasurer</p> <p>Monitoring Officer/Director of Service Support</p> <p>Chair</p> <p>Grant Thornton</p> <p>Democratic Officer</p> <p>Democratic Officer</p> <p>Chair of Pensions Board</p> <p><i>Grant Thornton</i></p> <p><i>Treasurer</i></p>	
26 June 2017 [Authority]	<p>Governance Statement 2016/2017</p> <p>Audit Committee – Terms of Reference, Annual Review (will now be reported to the Authority’s AGM)</p>	<p>Treasurer</p> <p>Audit Manager</p>	

	Annual Report of the Audit Committee 2016/17	Chair	
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24 July 2017 [Audit Committee 2017/18	Audit Findings 2016/17	Grant Thornton
	Statement of Accounts 2016/17 (Approval)	Grant Thornton
	Treasury Management Annual Report 2016/17	Treasurer
	<i>Self Assessment of Members of Audit Committee</i>	Internal Auditor
	Audit Committee Draft Work Plan 2017/18	Democratic Officer

