

# **West Midlands Fire and Rescue Authority**

## **Audit and Risk Committee**

**You are summoned to attend the meeting of Audit and Risk Committee to be held on Monday, 11 November 2019 at 10:00**

**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 in contracts or other matters   |                |
| 3  | Minutes of the Audit and Risk Committee held on 2 September 2019  | <b>3 - 20</b>  |
| 4  | Vacant Residential Properties<br>Presentation by David Gardiner, Manager, Facilities Management                     |                |
| 5  | Treasury Management Mid Year Review 2019-20   | <b>21 - 36</b> |
| 6  | Internal Audit Progress Report  | <b>37 - 44</b> |
| 7  | Audit and Risk Committee Update   | <b>45 - 56</b> |
| 8  | Corporate Risk Update   | <b>57 - 60</b> |
| 9  | Audit and Risk Work Programme 2019-2020   | <b>61 - 66</b> |
| 10 | Update on Topical, Legal and Regulatory Issues (Verbal Report).<br>Update from Grant Thornton on Materiality Levels |                |
| 11 | Training<br>Fraud Awareness Training - Phil Tromans, Sandwell MBC   |                |

**Distribution:**

David Barrie - Member, Manjit Gill - Vice Chair, Catherine Miks - Chair, Peter Miller - Member, Sybil Spence - Member

**Agenda prepared by Julie Connor**

**Strategic Hub, West Midlands Fire Service**

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**This agenda and supporting documents are also available electronically on the West Midlands Fire Service website at [www.wmfs.net](http://www.wmfs.net)**

Minutes of the Audit and Risk Committee <sup>Item 3</sup>
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2 September 2019  
at Fire Service Headquarters, Vauxhall Road,  
Birmingham B7 4HW

**Present:** Councillors Miks (Chair), Gill (Vice Chair), Barrie,  
Miller and Spence  
Mr Ager (Independent)  
Peter Farrow, Audit Manager  
John Matthews, Internal Audit  
ACO Gary Taylor, Strategic Enabler (Process)

**Apology:** Richard Percival, Grant Thornton  
Karen Gowreesunker, Strategic Enabler (Strategic  
Hub)

As well as the Members of the Committee the following attended  
the meeting:

Mike Griffiths, Treasurer  
Kal Shoker, Finance Manager  
Councillor Brackenridge, Chair (Observing)  
Emily Maine, Grant Thornton

At the beginning of the meeting everyone introduced themselves.

45/19 **Declarations of Interest**

Cllr Brackenridge declared a non-pecuniary interest as he is  
in receipt of a fire service pension.

46/19 **Minutes of the Audit and Risk Committee held on 29  
July 2019**

**Resolved** that the minutes of the Audit and Risk  
Committee held on 29 July 2019 be approved as a  
correct record with the following amendment.

Cllr Barry should read Cllr Barrie in the list of  
attendees.

In the penultimate paragraph on page 9 of the minutes, on the final line the word “should” to be deleted.

#### 47/19 **Corporate Risk Update**

Assistant Chief Officer (ACO) Taylor (Strategic Enabler – Process) presented the Corporate Risk Update. As agreed by the Audit Committee on 25 July 2016 the updates are now provided bi-annually.

The Update covered Quarters 4 2018/19 and Quarter 1 2019/20. The report included the Corporate Risk Assurance Map Summary and the Position Statement for Quarter 1 2019/20. In accordance with the Services risk management strategy, the Corporate Risk Assurance Map Summary was submitted for approval by the Audit and Risk Committee following its submission and discussion at the Corporate Performance Review Meeting.

Corporate risks are those risks which, if they occurred, would seriously affect the Authority’s ability to carry out its core function or deliver its strategic objectives as set out in the Plan. At the time of the meeting, the Service maintained 9 corporate risks, some of which had more than one element.

Each corporate risk is assigned to a Risk Owner, who is a member of the Strategic Enabling Team. The Risk Owner has the overall responsibility for monitoring and reviewing the progress being made in managing the risk.

To enable for effective risk management, the Risk Owner would have periodically undertaken an assessment of each corporate risk. The frequency of this review would be based upon the estimated risk rating undertaken based on likelihood or impact. The likelihood was a measure of probability of a given risk occurring using a scale of 1 (low) to 4 (high). The impact was a measure of the severity or loss should the risk occur again, using a scale of 1 (low) to 4 (high).

To ensure that Members are kept informed of corporate risk matters, a Corporate Risk Assurance Map Summary for Quarter 1 2019/20 (Appendix 1) and the Position Statement for Quarter 1 2019/20 (Appendix 2) were included.

In undertaking a review of corporate risks, the Risk Owners had reviewed the Corporate Risk Assurance Map.

The Assurance Map provided details of:

- The strategic objectives and performance indicators relevant to the risk.
- The risk scores
- A description of events that could lead to the corporate risk being realised.
- The control measures in place designed to reduce the likelihood of risk realisation or its impact should the risk be realised.
- Additional control measures currently implemented to further reduce the likelihood or impact.
- Control owners who are responsible for the implementation maintenance and review of individual control measures.

As part of the review each Risk Owner had considered the risk score and rating and updated the Assurance Map. The Risk Owner had provided assurance that the control measures identified were still effective in the management of risk and identified whether any new risk events or controls could have been implemented or were required.

Where ongoing additional controls were being implemented, Risk Owners would have confirmed the progress in implementing such controls.

## **Increase/Decrease in Overall Corporate Risk Score**

During the six months (Quarter 4 2018/19) there had been an increase in the risk scores for Corporate Risk 4.1, Protection. This risk score increased from 6 (Likelihood 2 x Impact 3) to 9 (Likelihood 3 to Impact 3).

This was due to the high demand and complexity in the building applications received. These applications included two high profile developments; High Speed Rail (HS2) and the Commonwealth Games. Additional investment for Protection resources into the Planning and Building Applications team was agreed by the Authority in November 2018, however it would take approximately 12 months for the additional Protection officers to become competent.

ACO Taylor explained that the Performance Indicator had shown that officers were not responding to all planning applications within the 15 day consultation period. However, following the increase in capacity in the Fire Safety Team, compliance had increased by 40% to significant compliance of 78%.

Officers were using some investment for existing and qualified staff to undertake work on overtime.

As well as HS2 and the Commonwealth games there was more demand for new properties.

Nationally the cronic impact of the shortage of fire safety expertise was also being recognised.

In Quarter 1 2019/20 there was a decrease in Corporate Risk 1.1 External (Political and Legislative) Environment. This decreased from 6 (Likelihood 3 x Impact2) to 2 (Likelihood 1 x Impact 2).

The change in Our Plan 2019-2022 indicates there is currently limited risk of public service reform impacting on the delivery of core service delivery.

ACO Taylor confirmed that health commissioning work had now ceased, the transfer of governance to the Mayor would not progress and governance of WMFS would continue through the Reformed Fire Authority.

The Position Statement attached as Appendix 2 to the report provided the detail of the risk management activity undertaken or ongoing in respect of the Authority's 9 Corporate Risks for the six months (Quarter 4 2018/19 and Quarter 1 2019/20).

- Corporate Risks 1.1, 1.2, 2.3, 4.1, 5.2, 8.1 and 8.2 were awarded a green confidence (substantial) opinion, which is the highest level that can be awarded.
- Corporate Risks 2.1, 2.2, 3.1, 3.2, 6.1, 7.1, 7.2, 9.1 and 9.2 were awarded an amber (satisfactory) confidence opinion. In all cases, work is in progress to enable for a green rating to be attained.

### Position Statements

**Corporate Risk 2 – People** The risk owner is confident that positive progress continues to be made in the delivery of several elements of the collective agreements and the Employee Relations Framework (ERF) has now been issued. An E-Cademy learning package for all employees is being developed, to enable all employees to ensure a greater understanding of the ERF and the specific elements in it. The Cultural Review was coming to a close and the outcomes will also provide opportunities.

**Corporate Risk 3 – Prevention** An IT solution to assist with Safe and Well visits was currently being developed as part of the introduction of Tymly, this was currently being piloted in the Black Country South. This was with the view to eventually rolling it out across the organisation.

**Corporate Risk 5 – Response** The continuation of the flexible use of resources to achieve the £3.8M savings outlined in the Financial Efficiency Plan shortfall and to deliver a balanced budget in 2019/20, means that there is

an overall reduction in fleet availability. The reduction in fleet is done dynamically and currently includes Brigade Response Vehicles and 2<sup>nd</sup> PRL's riding at 4, instead of 5 personnel.

ACO Taylor stated that the flexible response was working well but changes were having some impact, but the Service was maintaining its Service Delivery Model and its risk based attendance standard.

### **Corporate Risk 6 – Business Continuity**

**and Preparedness** The Emergency Planning team are monitoring all events that will have an impact on business continuity and alongside Local Resilience Forum Partners continue to engage with specific EU Exit No Deal planning. West Midlands Fire Service are maintaining awareness of updated government planning assumptions and have continued engagement with the Ministry of Housing Communities and Local Government.

Regular updates would be provided at Policy Planning Forums and briefings would be provided to Members on an ongoing basis. Councillors would then be able to pass this information onto their colleagues.

ACO Taylor confirmed that all authorities are undertaking their own Business continuity activities in the conurbation with category 1 and 2 responders.

In response to a Members question about Brexit preparedness, ACO Taylor stated that there was a high level of confidence and the Service was as prepared as it could be. In respect of the broader Business Continuity arrangements for possible Industrial Action levels of confidence had reduced.

### **Corporate Risk 7 – Information, Communications and**

**Technology** The organisation continues to take a cloud-based approach to data storage thus reducing the reliance on in-house processes, procedures and infrastructure to access and maintain data.



Cloud based solutions for business continuity and disaster recovery are being considered to improve resilience.

**Corporate Risk 8 – Finance and Assets** The budget was set in February 2019 with several significant issues still to be determined regarding future funding impacts. This specifically related to the Firefighters Pension Scheme, Firefighters pay awards, the outcome of the Governments Fair Funding Review and a lack of clarity around future Government funding settlements linked to the uncertainty of the timing and impact of public sector Comprehensive Spending Reviews. Details regarding these issues have not yet been determined.

**Corporate Risk 9 – Business Development** The recommendation was for Corporate Risks 9.1 and 9.2 to be removed. This was due to the Fire Authority directing officers to develop alternative options to make appropriate budget reductions in order to set a balanced budget. The revised strategy was presented and agreed at the 18 February 2019 Authority meeting, where it was agreed that “Our Plan” and the balanced budget would be delivered through the flexible risk-based management of resources daily. There was no longer a requirement to achieve alternative funding targets through business development and the wider health contracts that were in place were closed on the 3 April 2019.

The Committee discussed the issue of Safe and Well visits and the fact that some elements were considered nationally outside of the role map. ACO Taylor stated that there was an arrangement with staff and FBU and currently Safe and Well visits were continuing on the basis of good will, but it was down to individual choice with questions around wider vulnerability. Some staff were uncomfortable to ask questions for example about receiving benefits. Where this happened the crews had the option to give the occupier a tablet device to complete the full set of Safe and Well questions personally.

As the Service had now stopped delivering commissioned health work, some partnership referrals were suffering.

Officers were using their best efforts to engage with making representations to Councils about safeguarding of residents but were struggling to get traction with local authorities and this was less effective than falls response referrals. The Chair felt it was important to find a way to engage with the most vulnerable.

ACO Taylor stated because there was no longer day to day engagement and the Authority had withdrawn from health contracts, officers were having to work in a different way, but the commitment was still there to refer people to the Safe and Well list.

It was suggested that this could be an area for discussion at the forthcoming Policy Planning Forum with the potential to look at this work through a Scrutiny Review and that Elected Members would have more influence in their own Councils.

Cllr Greg Brackenridge stated that the focus for Safe and Well visits was on quality rather than quantity.

Cllr Brackenridge suggested a Conference could be held with Cabinet members on this subject in a similar way to the Conference being held on prevention and protection and sprinklers.

ACO Taylor confirmed that the Service was delivering safe and well visits and the mechanism for individual referrals but was struggling with external engagements.

It was confirmed that in Wolverhampton City Council the partnerships referrals system was more effective as the withdrawal from the falls contracts was longer and allowed more time to embed the referral pathway. However, in other areas there was a quicker withdrawal and the relationships and pathways were broken.

The Chair would suggest that the Scrutiny Committee look at this work further.

The Independent Member stated that considerable efforts had been for the transfer of governance to the West Midlands Combined Authority and enquired if central government would have any views on this matter.

Cllr Brackenridge stated that the Authority's view was not to go down this road again. The government had removed the red lines from the Order and had asked Leaders to sign within 36 hours notice. The Order had not been approved.

It was noted that the PCC or Mayor could put in a bid to take over the governance arrangements for the Fire Service but following conversations there did not appear to be any appetite to follow this route.

The other option would be for primary legislation.

ACO Taylor confirmed that some of the collaborative benefits still exist and officers were still working positively with local partners for efficiency and effectiveness.

In response to a Member's enquiry about the Risk Score of 9 showing as both green and amber, it was confirmed that this was due to professional judgement applied by the Risk Owner.

The Committee thanked ACO Taylor for a thorough report on risk.

**Resolved** that the Corporate Risk Map Summary (Quarter 1, 2019/20, Appendix 1) be approved and the Position Statement noted the Audit and Risk Committee be approved.

**Resolved** that the removal of Corporate Risks 9.1 and 9.2 be approved.

48/19 **Request of a Member to Discontinue Pension Payment of Periodical Contributions - New Firefighters' Pension Scheme (2006)**

The Committee, in their role as Scheme Manager, considered a request from a firefighter to discontinue payment of his periodical contributions under the rules of the New Firefighters' Pension Scheme (2006).

Members were provided with background information including details of Part 11, Chapter 2, Paragraph 8 of the New Firefighters' Pension Scheme (2006).

The request to stop paying the additional payment related to financial circumstances as set out in the Appendix to the report.

In answer to a Member's question, it was confirmed that this was the first occasion where a firefighter had requested to stop paying additional payments. Very few firefighters make additional payments and additional payments only affect the individual and not the Authority and each case was to be judged on its own merits.

Another Member felt that the Committee were not in a position to give financial advice and it was down to individuals to make extra payments and accept the changes to their future pension.

**Resolved** that the Committee, in their role as Scheme Manager, have decided that the request of a firefighter to discontinue payment of his periodical contributions under the rules of the New Firefighter' Pension Scheme 2006 be approved.

49/19 **Pensionable Pay Decision**

The Committee received a report providing information to enable them to make a decision, as required by the Firefighters' Pension Scheme regulations, as to whether

the allowance for the provision of Canine Response should be treated as pensionable pay.

West Midlands Fire Service had recently implemented a new allowance payable to a member of the Technical Rescue Unit for the provision of Canine Response.

At the Strategic Enabling Team meeting held on 12 December 2018 it was stated that in recognition of the additional responsibility and impact on personal time and in line with similar arrangements across other Fire and Rescue Services, proposed that a 10% pay enhancement should be attached to the role. The allowance recognised that:

- The dog is permanently resident with the employee;
- The employee has caring responsibilities for the dog and to ensure that it remains fit and healthy for work;
- The dog is available for duty in line with the employee's shift pattern and on call arrangements; and
- The employee needs to reach and maintain additional competencies to enable the dog to be deployed to operational incidents.

Pensionable pay for all schemes is defined as being the pay determined in relation to the performance of the duties of the role.

Members of the Committee were provided with Guidance from Home Office on the Firefighters' Pension Scheme and a fact sheet was attached as an appendix to the report.

Members of the Committee were also provided with details of the Firefighter Role map.

The definition of pensionable pay states that the pay must be in relation to the performance of the duties of the role and must be clear in terms of the decision.

There was no definition on what sort of allowances should be regarded as permanent or temporary.

Each case was to be considered on its merit.

The Pensionable Pay Guidance outlined the case law when interpreting the application of pensionable pay, the 'Blackburne Principles' were often cited. The judge cited that in order for pay to be pensionable it had to be:

- Calculated in accordance with ordinary rate of pay
- For work done under the Firefighters contract of employment
- Regular in nature, i.e. something to which the firefighter was entitled in the ordinary course of fulfilling duties under the contract, not a one off or unexpected payment.

The monthly allowance was for the care of the dog and regular payment would be made for the foreseeable future and met the tests.

A proportion of the allowances was for care and welfare of dog, food and vets charges. The dog lives with the firefighter to enforce the bond and to ensure that the relationship is enhanced. The dog also needs to be available when the firefighter is required.

The key decision for the Committee was whether the allowance related to the Firefighter Rolemap.

Members felt that the role was permanent, regular and not an additional contract and the requirements were discharged under Reference FF6 Support the effectiveness of operational response and FF8 Contribute to safety solutions to minimise risks to your community of the Firefighter Rolemap and there was evidence to support this.

**Resolved** that the allowance for the provision of Canine Response should be treated as pensionable pay.

#### 50/19 **Annual Audit Letter 2018/19**

The Audit and Risk Committee received and noted the Annual Audit Letter 2018/19.

In line with the Code of Audit Practice, the Auditor is required to produce a letter at the end of the audit and it was intended to communicate key messages to the Authority and external stakeholders including members of the public.

The key messages included the financial statements audit, (including audit opinion) the Value for Money Conclusion and the Audit fees charge for audit and non-audit services and titles and dates of when reports had been issued.

The Audit Findings Report had been presented to the Audit and Risk Committee on 29 July and outlined the findings of the audit work undertaken.

The Auditor had issued an unqualified opinion on the Authority's 2018/19 financial statements included in the Authority's Statement of Accounts.

As part of the external audit work programme, the Auditor was also required to provide a value for money conclusion.

As a consequence of this work the audit concluded that for 2018/19, the Authority had proper arrangements in all significant respects to secure economy, efficiency and effectiveness and to ensure it delivered value for money in its use of resources.

The Auditor had determined materiality for the audit of the Authority's financial statements to be £2,396,000 which is 2% of the Authority's gross revenue expenditure.

The Auditor had set a lower level of specific materiality for remuneration disclosure of £100,000 due to their sensitive nature and public interest.

The Auditor set a lower threshold of £119,802 above which the Auditor reported errors to the Audit and Risk Committee in their Audit Findings Report.

The Auditor stated that financial sustainability was a significant risk and reserves had dwindled.



As set out in the Audit Plan the Auditor felt there were real challenges for the Authority. All organisations have financial risks but this would remain an area of focus for Grant Thornton and they would continue to report on this at future meetings.

The final fee charge for the audit was £33,750. The planned fee was £29,750 but an additional charge of £4,000 had been added to cover the additional work required in Assessing the impact of the McCloud ruling, Pensions -IAS 19 work and PPE Valuation work of experts.

This figure still represented a reduction on the £38,636 charge in 2017/18.

It was noted that following consultation with the Treasurer some areas of the Annual Audit Letter would be amended prior to submission to the Fire Authority on the 30 September 2019.

As follows:

On pages 86 and 87 Key Findings, Significant risk in our Audit Plan, Financial Sustainability

- “FFPS – Employers Contributions – potential additional costs of £6.2m per annum assuming no government funding.” The figure should read £5.3m.

On page 88, Reports issued and fees

“As outlined in our audit plan, the 2018-19 scale fee published by PSAA of £29,750 assumes that the scope of the audit does not significantly change. There are a number of areas where the scope of the audit has changed due to national issues outside of the Authority’s control, which have led to additional work. These are set out in the following table.”

The words “due to national issues outside of the Authority’s control” would be added.



In answer to a Member's enquiry it was confirmed that at the time the budget was set the estimated cost was £5.3m with the grant of £4.8m for the current year. However, when the actual figures were confirmed the costs were higher for all Authorities and this national issue was then raised with the Home Office who eventually covered the cost of £6.2m for WMFRA with a grant of £5.7m. There was the potential that the Authority would be required to pay this if not covered by the Home Office.

The Treasurer confirmed that in respect of the McCloud case, no further indication or clarity had been received on the figure quoted if all transitional arrangements had to be rectified

In answer to a question from the Independent Member on the significant risk identified in the audit plan on the Valuation of Property and Equipment and that the audit work had not identified any issues in respect of valuation of land or buildings, the Auditor stated that the Authority revalues its land and buildings on an annual basis to ensure that the carrying value is not materially different from the current value at the financial statements date. The valuation of land and the buildings represents a significant estimate by management.

The valuer makes an assessment of assets and the Auditor undertakes testing on assumptions and never give positive assurance, but there is a low risk of estimation and uncertainty

The method of annual evaluation is of benefit for the Authority, however, other authorities use the previous year's valuation.

## 51/19 **Residential Homes**

The Committee received a report from the Treasurer on the current status of the Authority's Residential Homes (flat and houses). The facilities had been provided in the past for firefighter use. The Authority no longer provides residential homes to new tenants and any properties that become vacant are held as 'surplus assets' for accounting purposes.

The information had been requested by the Chair of the Audit and Risk Committee.

A table of residential home, sites and commentary was provided as an appendix.

In answer to a Member's enquiry it was confirmed there was a small level of cost dependent on the rateable value of the site.

Some of the properties are used for training and partnership work.

There was current interest from a third party in refurbishing and leasing a house at Kings Norton although access was an issue for the houses and flats at this station.

A planning application had been approved in relation to creation of new vehicular access with the intention of the disposal of the Houses at Perry Barr Fire Station.

A Housing Association may be interested in modernising or redeveloping the houses on this site. It was noted that the houses are near the area of the 2022 Commonwealth Games.

Members were concerned about the number of homeless in the Region and whether the Authority would be able to work with external partners in respect of vulnerable and homeless people.

The Audit and Risk Committee requested a further report outlining the options as the Lead Member of the Combined Authority's Reduction of Homeless Strategy is a Member of Sandwell Council and they may be able to assist.

The Chair requested further information to be provided to the next meeting of the Audit and Risk Committee.

## **52/19 Audit and Risk Workplan 2019-2020**

The Committee noted its Work Programme for 2019/12.

### 53/19 **Update on Topical, Legal and Regulatory Issues**

The Treasurer stated that an independent review had been announced with the outcomes being published towards the end of the year.

The Committee were informed that the government had indicated that the Chancellor would be announcing a 12 month spending round on the 4 September 2019.

ACO Taylor informed the Committee that in the absence of a pay settlement for the Fire Service, the National Fire Chiefs Council and the Local Government Association had written a joint letter highlighting the importance of fair pay across the sector.

### 54/19 **CIPFA Audit Committee Update 29**

John Matthews stated that the CIPFA Update had been circulated to Members and provided information to Audit Committees to enable them to keep up to date and improve their effectiveness. The document set out details of the CIPFA Statement on the Role of the Head of Internal Audit and the five principles that are used to deliver the organisation's strategic objective. Members of the Audit and Risk Committee should be aware of the five principles and the key steps.

In answer to a query about the Audit Commission, following a suggestion in 2010 by Eric Pickles MP, it was confirmed that the Audit Commission had been abolished in 2015 some of the staff had been TUPEd to other Audit companies and these companies now undertook the Audits.

A small body of people from the Audit Commission had been used to create a team who managed the PSAA Ltd and the National Fraud Office.

Members were requested to let Julie Connor know if they wished to attend any of the Training Opportunities available to members of the Audit and Risk Committee outlined in the document.

The meeting finished at 1208 hours.

Julie Connor  
Strategic Hub  
0121 380 6906  
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**WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

Item 5

**AUDIT AND RISK COMMITTEE**

**11 NOVEMBER 2019**

1. **TREASURY MANAGEMENT – MID YEAR REVIEW  
REPORT 2019/20**

Report of the Treasurer.

RECOMMENDED

THAT the report and Appendix are noted and the prudential and treasury indicators approved.

2. **PURPOSE OF REPORT**

2.1 The Authority agreed its Treasury Management Strategy Statement and Annual Investment Strategy and its Prudential Indicators in February 2019. Part of the requirements of the Treasury Strategy and Prudential Code are that periodic reports are presented to Members.

2.2 The mid-year review report outlines the performance of the Treasury Management function of the Authority in the current financial year.

3. **BACKGROUND**

3.1 The Authority is required to produce a mid-year report of Treasury Management activity in the current financial year.

3.2 Appendix 1, the mid-year Review Report 2019/20 meets the requirement of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code of Capital Finance in Local Authorities (the Prudential Code). The Authority is required to comply with both Codes through regulations issued under the Local Government Act 2003.

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 course of action recommended in this report does not raise issues which should be drawn to the attention of the Authority's Monitoring Officer.

6. **FINANCIAL IMPLICATIONS**

These are contained in the attached Appendix.

7. **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications arising from this report.

**BACKGROUND PAPERS**

Authority's Budget and Precept Report – February 2019

The contact name for this report is the Gary Taylor, Assistant Chief Fire officer (Strategic Enabler, Process) telephone number 0121 380 6914

MIKE GRIFFITHS  
TREASURER

# WEST MIDLANDS FIRE SERVICE



## **Treasury Management Strategy Statement and Annual Investment Strategy**

Mid-year Review Report 2019/20

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## **1. Background**

The Authority operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering maximising investment return.

The second main function of the treasury management service is the funding of the Authority's capital plans. These capital plans provide a guide to the borrowing need of the Authority, essentially the longer-term cash flow planning to ensure the Authority can meet its capital spending operations. This management of longer-term cash may involve arranging long or short-term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Authority risk or cost objectives.

As a consequence treasury management is defined as:

*“The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”*

## **2. Introduction**

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2011 has been adopted by this Authority.

The primary requirements of the Code are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Authority's treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Authority will seek to achieve those policies and objectives.
- Receipt by the Authority of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report covering activities during the previous year.



- Delegation by the Authority of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- Delegation by the Authority of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Authority the delegated body is the Audit Committee.

This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first six months of 2019/20;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Authority's capital expenditure (prudential indicators);
- A review of the Authority's investment portfolio for 2019/20;
- A review of the Authority's borrowing strategy for 2019/20;
- A review of any debt rescheduling undertaken during 2019/20;
- A review of compliance with Treasury and Prudential Limits for 2019/20.

### **3. Economic update**

**UK.** This first half year has been a time of upheaval on the political front as Theresa May resigned as Prime Minister to be replaced by Boris Johnson on a platform of the UK leaving the EU on 31 October, with or without a deal. However, in September, the proroguing of Parliament was overturned by the Supreme Court and Parliament carried a bill to delay Brexit until 31 January 2020 if there is no deal by 31 October. MPs also voted down holding a general election before 31 October, though one is likely before the end of 2019. So far, there has been no majority of MPs for any one option to move forward on enabling Brexit to be implemented. At the time of writing the whole Brexit situation is highly fluid and could change radically by the day. Given these circumstances and the likelihood of an imminent general election, any interest rate forecasts are subject to material change as the situation evolves. If the UK does soon achieve a deal on Brexit agreed with the EU then it is possible that growth could recover relatively quickly. The MPC could then need to address the issue of whether to raise Bank Rate at some point in the coming year when there is little slack left in the labour market; this could cause wage inflation to accelerate which would then feed through into general inflation. On the other hand, if there was a no deal Brexit and there was a significant level of disruption to the economy, then growth could weaken even

further than currently and the MPC would be likely to cut Bank Rate in order to support growth. However, with Bank Rate still only at 0.75%, it has relatively little room to make a big impact and the MPC would probably suggest that it would be up to the Chancellor to provide help to support growth by way of a fiscal boost by e.g. tax cuts, increases in the annual expenditure budgets of government departments and services and expenditure on infrastructure projects, to boost the economy.

The first half of 2019/20 has seen UK economic growth fall as Brexit uncertainty took a toll. In its Inflation Report of 1 August, the Bank of England was notably downbeat about the outlook for both the UK and major world economies. The MPC meeting of 19 September reemphasised their concern about the downturn in world growth and expressed concern that prolonged Brexit uncertainty would contribute to a build-up of spare capacity in the UK economy, especially in the context of a downturn in world growth. This mirrored investor concerns around the world which are now expecting a significant downturn or possibly even a recession in some major developed economies. It was therefore no surprise that the Monetary Policy Committee (MPC) left Bank Rate unchanged at 0.75% throughout 2019, so far, and is expected to hold off on changes until there is some clarity on what is going to happen over Brexit. However, it is also worth noting that the new Prime Minister is making some significant promises on various spending commitments and a relaxation in the austerity programme. This will provide some support to the economy and, conversely, take some pressure off the MPC to cut Bank Rate to support growth.

As for inflation itself, CPI has been hovering around the Bank of England's target of 2% during 2019 but fell to 1.7% in August. It is likely to remain close to 2% over the next two years and so it does not pose any immediate concern to the MPC at the current time. However, if there was a no deal Brexit, inflation could rise towards 4%, primarily as a result of imported inflation on the back of a weakening pound.

With regard to the labour market, despite the contraction in quarterly GDP growth of -0.2% q/q, (+1.3% y/y), in quarter 2, employment continued to rise, but at only a muted rate of 31,000 in the three months to July after having risen by no less than 115,000 in quarter 2 itself: the latter figure, in particular, suggests that firms are preparing to expand output and suggests there could be a return to positive growth in quarter 3. Unemployment continued at a 44 year low of 3.8% on the Independent Labour Organisation measure in July and the participation rate of 76.1% achieved a new all-time high. Job vacancies fell for a seventh consecutive month after having previously hit record levels. However, with unemployment continuing to fall, this month by 11,000, employers will still be having difficulty filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to a high point of 3.9% in June before easing back slightly to 3.8% in July, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 2.1%. As the UK economy is very much services sector driven, an increase in

household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. The latest GDP statistics also included a revision of the savings ratio from 4.1% to 6.4% which provides reassurance that consumers' balance sheets are not over stretched and so will be able to support growth going forward. This would then mean that the MPC will need to consider carefully at what point to take action to raise Bank Rate if there is an agreed Brexit deal, as the recent pick-up in wage costs is consistent with a rise in core services inflation to more than 4% in 2020.

In the political arena, if there is a general election soon, this could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up although, conversely, a weak international backdrop could provide further support for low yielding government bonds and gilts.

**EUROZONE.** Growth has been slowing from +1.8 % during 2018 to around half of that in 2019. Growth was +0.4% q/q (+1.2% y/y) in quarter 1 and then fell to +0.2% q/q (+1.0% y/y) in quarter 2; there appears to be little upside potential to the growth rate in the rest of 2019. German GDP growth fell to -0.1% in quarter 2; industrial production was down 4% y/y in June with car production down 10% y/y. Germany would be particularly vulnerable to a no deal Brexit depressing exports further and if President Trump imposes tariffs on EU produced cars. The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity supporting world financial markets by purchases of debt. However, the downturn in EZ growth in the second half of 2018 and into 2019, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), has prompted the ECB to take new measures to stimulate growth. At its March meeting it said that it expected to leave interest rates at their present levels "at least through the end of 2019", but that was of little help to boosting growth in the near term.

On the political front, Austria, Spain and Italy are in the throes of forming coalition governments with some unlikely combinations of parties i.e. this raises questions around their likely endurance. The recent results of two German state elections will put further pressure on the frail German CDU/SDP coalition government.

## Link Asset Services interest rate forecast

Treasury advisor, Link Asset Services, has provided the following forecast:

Link Asset Services Interest Rate View										
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60
5yr PWLB Rate	2.30	2.50	2.60	2.70	2.70	2.80	2.90	3.00	3.00	3.10
10yr PWLB Rate	2.60	2.80	2.90	3.00	3.00	3.10	3.20	3.30	3.30	3.40
25yr PWLB Rate	3.30	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00
50yr PWLB Rate	3.20	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90

The above forecasts have been based on an assumption that there is some sort of an agreed deal on Brexit at some point in time. Given the current level of uncertainties, this is a huge assumption and so forecasts may need to be materially reassessed in the light of events over the next few weeks or months.

It has been little surprise that the Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty over Brexit. In its meeting on 1 August, the MPC became more dovish as it was more concerned about the outlook for both the global and domestic economies. That's shown in the policy statement, based on an assumption that there is an agreed deal on Brexit, where the suggestion that rates would need to rise at a "gradual pace and to a limited extent" is now also conditional on "some recovery in global growth". Brexit uncertainty has had a dampening effect on UK GDP growth in 2019, especially around mid-year. If there were a no deal Brexit, then it is likely that there will be a cut or cuts in Bank Rate to help support economic growth. The September MPC meeting sounded even more concern about world growth and the effect that prolonged Brexit uncertainty is likely to have on growth.

#### **4. Treasury Management Strategy Statement and Annual Investment Strategy update**

The Treasury Management Strategy Statement (TMSS) for 2019/20 was approved by the Authority on 18th February 2019. There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

<b>Prudential Indicator 2019/20</b>	<b>Original Prudential Indicator</b>	<b>Revised Prudential Indicator</b>
Authorised Limit	£44m	£44m
Operational Boundary	£40m	£40m
Capital Financing Requirement (31.3.19)	£37m	£37m

#### **5. The Authority's Capital Position (Prudential Indicators)**

This section of the report provides an update on:

- The Authority's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

## Prudential Indicator for Capital Expenditure

The table below shows the capital programme which was approved by the Authority 18th February 2019, it has since been revised to reflect the impact of capital expenditure and financing decisions in 2018/19. The forecast outturn position is as at 30th September 2019.

Capital Expenditure 2019/20	Approved Feb 2019 £000	Revised Estimate £000	Forecast Outturn £000
<b>Land &amp; Buildings:</b>			
Coventry Fire Station	0	171	171
Aston Fire Station	2,159	3,205	2,905
HQ Alterations	0	42	51
Boiler Replacement Programme	151	151	151
Roof Replacements	73	140	140
Windows & Door Replacements	276	276	276
Rewires	321	426	426
Drill Tower/Training Facilities	290	295	295
Security Works	0	68	68
<b>Vehicles:</b>			
Vehicle Replacement Programme	3,254	3,540	2,172
<b>ICT &amp; Equipment:</b>			
Enterprise Resources Planning	0	180	180
C+C Upgrade – Vision 4/ESMCP	0	417	422
Oracle Licensing	0	25	25
<b>Total</b>	<b>6,524</b>	<b>8,936</b>	<b>7,282</b>

## Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Authority by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure 2019/20	Approved Feb 2019 £000	Revised Estimate £000	Forecast Outturn £000
<b>Total Spend</b>	<b>6,524</b>	<b>8,936</b>	<b>7,282</b>
Financed by:			
Capital Receipts	0	0	0
Capital Grants / Contributions	0	157	157
Revenue Contribution to Capital	6,524	8,779	7,125
<b>Total Financing</b>	<b>6,524</b>	<b>8,936</b>	<b>7,282</b>
<b>Borrowing Need</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Changes to the Prudential Indicators for the CFR, External Debt and the Operational Boundary

The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period. This is termed the Operational Boundary.

### ***Prudential Indicator – CFR***

The Authority is on target to achieve the original forecast CFR.

### ***Prudential Indicator – External Debt / the Operational Boundary***

	2019/20 Original Estimate		2019/20 Revised Estimate
Prudential Indicator – CFR			
Total CFR (31.3.19)	£37m		£37m
Prudential Indicator – External Debt / the Operational Boundary			
Borrowing	£40m		£40m

Total debt 31 March 2019	£36m	£36m
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## Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2019/20 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Authority has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

	<b>2019/20 Original Estimate</b>	<b>2019/20 Revised Estimate</b>
Gross borrowing (Excluding Ex WMCC)	£33m	£33m
CFR (31.3.19)	£37m	£37m

The Treasurer reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator.

A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

<b>Authorised limit for external debt</b>	<b>2019/20 Original Indicator</b>	<b>2019/20 Revised Indicator</b>
Borrowing	£44m	£44m



## **6. Investment Portfolio 2019/20**

In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As shown by forecasts in section 3 it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the current 0.75% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis, and its impact on banks, prompts a low risk and short-term strategy. Given this risk environment and the fact that increases in Bank Rate are likely to be gradual and unlikely to return to the levels seen in previous decades, investment returns are likely to remain low.

The Authority held £62.5m of investments as at 30 September 2019 (£40.9m at 31 March 2019) and the investment portfolio yield for the first six months of the year is 0.78% against a benchmark (average 7-day LIBID rate) of 0.57%.

The Treasurer confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2019/20.

The Authority's budgeted investment return for 2019/20 is £0.300m, and performance for the year to date is in line with the budget.

### **Investment Counterparty Criteria**

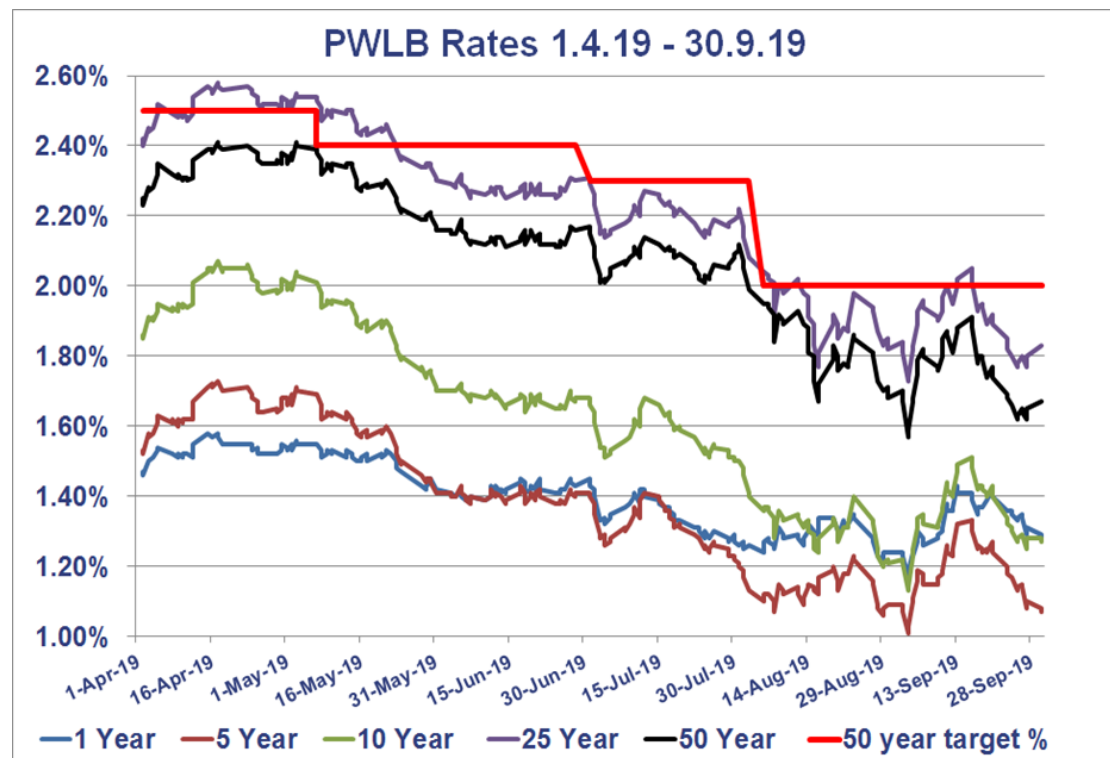
The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

## 7. Borrowing

The Authority's CFR for 2019/20 is £37m (31.3.19). The CFR denotes the Authority's underlying need to borrow for capital purposes. If the CFR is positive the Authority may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.

It is not anticipated that borrowing will be undertaken during this financial year however this requirement will be monitored by the Treasurer as part of the capital financing decisions.

The graph below shows the movement in PWLB rates for the first six months of the year:



## **8. Debt Rescheduling**

Debt rescheduling opportunities have been very limited in the current economic climate given the consequent structure of interest rates and following the increase in the margin added to gilt yields which has impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

The 100bps increase in PWLB rates from 9/10/19 only applied to new borrowing rates, not to premature repayment rates.

## **9. Other**

### **Changes in risk appetite**

The 2018 CIPFA Codes and guidance notes have placed enhanced importance on risk management. Where an authority changes its risk appetite e.g. for moving surplus cash into or out of certain types of investment funds or other types of investment instruments, this change in risk appetite and policy should be brought to members' attention in treasury management update reports.



## **WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

### **AUDIT AND RISK COMMITTEE**

Item 6

**11 NOVEMBER 2019**

#### **1. INTERNAL AUDIT – PROGRESS REPORT**

Report of the Audit Services Manager [Sandwell MBC].

RECOMMENDED THAT;

the Internal Audit Progress Report be noted.

#### **2. PURPOSE OF REPORT.**

To ask the Committee to note the issues raised from the work undertaken by Internal Audit so far in the current financial year.

#### **3. BACKGROUND**

The Internal Audit Progress Report contains details of the matters arising from internal audit work undertaken so far in the current year. The purpose of the report is to bring the Committee up to date with the progress made against the delivery of the 2019/20 Internal Audit Plan. The information included in the progress report will feed into, and inform, the overall opinion in the Internal Audit Annual Report issued at the year end.

It summarises the audit work undertaken in a tabular format, and includes:

- the areas subject to review (Auditable Area).
- the level of risk to the Authority assigned to each auditable area (high, medium or low).
- the number and type of recommendations made as a result of each audit review.
- the number of recommendations accepted by management.
- the level of assurance given to each system under review.
- details of any key issues arising from the above.

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.

**BACKGROUND PAPERS**

Internal Audit Plan 2019/2020  
Audit and Risk Committee March 2019

Peter Farrow  
Audit Services Manager, Sandwell MBC

Ref. AU/AU/2019/Nov/12110194

## Internal Audit Progress Report @ 18 October 2019 Audit and Risk Committee – 11 November 2019



1. Introduction
2. Summary of work completed and in progress
3. Issues arising
4. Other activities
5. Service quality questionnaire feedback

# 1 Introduction

The purpose of this report is to bring the Audit and Risk Committee up to date with the progress made against the delivery of the 2019/20 Internal Audit plan.

The information included in this progress report will feed into and inform our overall opinion in our Internal Audit annual report issued at the year end.

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

<b>Limited</b>	<ul style="list-style-type: none"> <li>A risk of objectives not being achieved due to the absence of key internal controls and a significant breakdown in the application of controls.</li> </ul>
<b>Satisfactory</b>	<ul style="list-style-type: none"> <li>A sufficient framework of key controls for objectives to be achieved, but the control framework could be stronger and controls are applied, but with some lapses.</li> </ul>
<b>Substantial</b>	<ul style="list-style-type: none"> <li>A robust framework of controls ensures objectives are likely to be achieved and controls are applied continuously or with only minor lapses.</li> </ul>

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

Priority rating for issues identified		
<b>Fundamental</b> action is imperative to ensure that the objectives for the area under review are met.	<b>Significant</b> requires action to avoid exposure to significant risks in achieving the objectives for the area under review.	<b>Merits attention</b> action is advised to enhance risk mitigation, or control and operational efficiency.



## 2 Summary of work completed and in progress @ 18 October 2019

Auditable Area	ANA Rating	Suggested/Agreed Actions					Level of Assurance
		Fundamental	Significant	Merits attention	Total	Number accepted	
<b>Completed:</b>							
Governance	High	0	0	1	1	1	Substantial
Freedom of Information	Medium	0	1	2	3	draft	Substantial
Risk Management	High	0	0	1	1	draft	Substantial
Partnerships	Medium	0	0	0	0	0	Substantial
<b>In progress:</b>							
Accounts Payable	KFS						
Accounts Receivable	KFS						

Key: KFS = Key Financial System  
ANA = Audit Needs Assessment

Ref. AU/AU/2019/Nov/12110194

### 3 Issues arising

#### **Governance**

The purpose of the audit was to evaluate the design, implementation and effectiveness of the ethics-related objectives, programmes and activities of the Authority. No issues of significance were identified, with the review highlighting that the Authority had in place a strong governance framework, which clearly outlined the key roles and responsibilities of both members and staff and promoted transparency of the decision-making process.

#### **Freedom of Information**

The purpose of the audit was to ensure the Authority was compliant with the Freedom of Information Act regarding meeting its publication requirements and for dealing with requests for information. Only one issue of significance was identified, which related to some requests for information not being provided within the statutory timescale of 20 days. This apart, the review concluded that the Authority had clear processes in place for dealing with freedom of information requests and maintained an effective publication scheme.

#### **Risk Management**

The purpose of the audit was to determine that the Authority had in place an effective risk management process which identified risks and ensured they were being effectively managed. No issues of significance were identified, with the review highlighting that the Authority has an effective system in place for the management of risk.

#### **Partnerships**

As part of the 2018/19 Internal Audit plan, a review was undertaken to provide assurance that partnership agreements had been properly established and that effective governance and monitoring arrangements were in place to ensure that expected outcomes were achieved. This identified two issues of significance relating to:

- the “Partnerships Governance Arrangements and Framework” document, which details the key processes to be followed in setting up a partnership, states that the Partnerships Team will undertake quality assurance checks and provide assurance that:
  - each partnership agreement has clearly defined roles and responsibilities and strong governance arrangements in place.
  - effective partnership monitoring arrangements are in operation.

These quality assurance checks had yet to commence. As such, there was a risk that the initial momentum generated by the Partnership Team could stall,

resulting in a lack of consistency in approach by partnership facilitators and learning opportunities missed. Thus, undermining a key goal of the authority of establishing effective partnership arrangements.

- it is a policy of the Authority, that as part of the governance and planning of all partnership arrangements and partnership activity, that as a minimum an Initial Equality Impact Assessment (IEIA) is undertaken. However, IEIAs were not being completed and the authority could therefore, be in breach of the Equality Act 2010. This could expose the authority to the risk of enforcement action being taken by the Equality and Human Rights Commission or result in a legal challenge.

A follow up review was undertaken, and it confirmed that all the actions from the original report had been implemented and were being complied with.

## 4 Other activities

### **Advice and Guidance**

We provide on-going advice and guidance to the authority to assist with the continuous improvement of the overall control environment.

### **CIPFA – Audit Committee Updates**

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

### **Audit and Risk Committee – Terms of Reference**

We submitted the Audit and Risk Committee Terms of Reference for annual review at the March 2019 meeting of the committee.

### **Internal Audit Plan 2019/20**

We submitted the Internal Audit annual plan for 2019/20 to the committee for approval at the March 2019 meeting.

### **Internal Audit Annual Report 2018/19**

We presented the Internal Audit annual report for 2018/19 to the committee for comment and approval at the June 2019 meeting.

### **Internal Audit Charter**

We submitted the Internal Audit Charter to the committee for annual review at its January 2019 meeting.

**Audit and Risk Committee Annual Report**

Assistance was provided in the preparation of the Annual Report of the Chair, on the work of the Audit and Risk 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.

5    **Service quality questionnaire (SQQ) feedback**

<b>Overall Satisfaction with Audit Services</b>	<b>Average Score</b>
	No SQQs received to date

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

# **WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

## **AUDIT AND RISK COMMITTEE**

Item 7

**11 NOVEMBER 2019**

### **1. AUDIT COMMITTEE UPDATE FOR WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

Report of the Treasurer.

RECOMMENDED

THAT the Committee note the content of the Audit Progress Report and Sector Update attached as an Appendix.

### **2. PURPOSE OF REPORT**

This update is provided to keep Audit and Risk Committee Members informed of the progress of the external auditor (Grant Thornton UK LLP) in delivering their responsibilities.

### **3. BACKGROUND**

3.1 In order to ensure that Audit and Risk Committee Members continue to remain informed on audit matters, the external auditor has provided an Audit Progress Report and Sector Update. It is the intention of the external auditor to provide an update at all Audit and Risk Committee meetings.

3.2 The update provides the Audit and Risk Committee with a report on Grant Thornton's progress in delivering their responsibilities as the Authority's external auditors.

3.3 Representatives from Grant Thornton will be in attendance at the meeting to discuss the reports with Members.

### **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 a policy change.

5. **LEGAL IMPLICATIONS**

The course of action recommended in this report does not raise issues which should be drawn to the attention of the Authority's Monitoring Officer.

6. **FINANCIAL IMPLICATIONS**

The scale of fees for undertaking the Authority's external audit work for 2019/20 was set at £29,750.

7. **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications arising from this report.

**BACKGROUND PAPERS**

None

The contact officer for this report is Gary Taylor, Assistant Chief Fire Officer (Strategic Enabler, Process), telephone number 0121 380 6914.

MIKE GRIFFITHS  
TREASURER

# Audit Progress Report and Sector Update

West Midlands Fire and Rescue Service  
Year ending 31 March 2020

11 November 2019



# Contents

Section	Page
Introduction	3
Progress at October 2019	4
Audit Deliverables	5
Sector Update	6



# Introduction

This paper provides the Audit and Risk Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes:

- a summary of emerging national issues and developments that may be relevant to you as a local authority; and
- a number of challenge questions in respect of these emerging issues which the Committee may wish to consider (these are a tool to use, if helpful, rather than formal questions requiring responses for audit purposes)

Members of the Audit and Risk Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications [www.grantthornton.co.uk](http://www.grantthornton.co.uk).

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

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**Engagement Lead**

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**Manager**

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## PSAA Contract Monitoring

West Midlands Fire and Rescue Authority opted into the Public Sector Audit Appointments (PSAA) Appointing Person scheme which starts with the 2018/19 audit. PSAA appointed Grant Thornton as auditors. PSAA is responsible under the Local Audit (Appointing Person) Regulations 2015 for monitoring compliance with the contract and is committed to ensuring good quality audit services are provided by its suppliers. Details of PSAA's audit quality monitoring arrangements are available from its website, [www.psaa.co.uk](http://www.psaa.co.uk).

Our contract with PSAA contains a method statement which sets out the firm's commitment to deliver quality audit services, our audit approach and what clients can expect from us. We have set out commitment to deliver a high quality audit service in the document at Appendix A. We hope this is helpful. It will also be a benchmark for you to provide feedback on our performance to PSAA via its survey in Autumn 2019.

# Progress at October 2019

## Financial Statements Audit

We issued our opinion on your 2018/19 Statement of Accounts on 31 July 2019.

We will begin our planning for the 2019/20 audit in November and will issue a detailed audit plan, setting out our proposed approach to the audit of the Fire and Rescue Authority's 2019/20 financial statements.

We will begin our interim audit in January 2020. Our interim fieldwork includes:

- Updated review of the Authority's control environment
- Updated understanding of financial systems
- Review of Internal Audit reports on core financial systems
- Early work on emerging accounting issues
- Early substantive testing

We will report our work in the Audit Findings Report and aim to give our opinion on the Statement of Accounts.

## Value for Money

The scope of our work is set out in the guidance issued by the National Audit Office. The Code requires auditors to satisfy themselves that; "the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources".

The guidance confirmed the overall criterion as: "in all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people".

The three sub criteria for assessment to be able to give a conclusion overall are:

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties

Details of our initial risk assessment to determine our approach will be included in our Audit Plan.

We will report our work in the Audit Findings Report and aim to give our Value For Money Conclusion.

## Other issues – audit fees

During 2017, PSAA awarded contracts for audit for a five year period beginning on 1 April 2018. 2019/20 is the second year of that contract. Since that time, there have been a number of developments within the accounting and audit profession. Across all sectors and firms, the Financial Reporting Council (FRC) has set out its expectation of improved financial reporting from organisations and the need for auditors to demonstrate increased scepticism and challenge and to undertake additional and more robust testing.

Our work in the Local Government sector (including Fire and Rescue Authorities) in 2018/19 has highlighted areas where financial reporting, in particular, property, plant and equipment and pensions, needs to improve. There is also an increase in the complexity of Local Government financial transactions and financial reporting. This combined with the FRC requirement that all Local Government audits are at or above the "few improvements needed" (2A) rating means that additional audit work is required.

We are currently reviewing the impact of these changes on both the cost and timing of audits. We will discuss this with your s151 Officer including any proposed variations to the Scale Fee set by PSAA Limited, before communicating fully with the Audit and Risk Committee.

As a firm, we are absolutely committed to meeting the expectations of the FRC with regard to audit quality and local government financial reporting.

# Audit Deliverables

2018/19 Deliverables	Planned Date	Status
<b>Audit Findings Report</b> The Audit Findings Report was reported to the July Audit and Risk Committee.	July 2019	Complete
<b>Auditors Report</b> This is the opinion on your financial statement, annual governance statement and value for money conclusion.	July 2019	Complete
<b>Annual Audit Letter</b> This letter communicates the key issues arising from our work.	August 2019	Complete
2019/20 Deliverables	Planned Date	Status
<b>Fee Letter</b> Confirming audit fee for 2018/19.	April 2019	Complete
<b>Accounts Audit Plan</b> We are required to issue a detailed accounts audit plan to the Audit and Risk Committee setting out our proposed approach in order to give an opinion on the Authority's 2019-20 financial statements.	January 2020	Not yet due
<b>Interim Audit Findings</b> We will report to you the findings from our interim audit and our initial value for money risk assessment within our Progress Report.	March 2020	Not yet due
<b>Audit Findings Report</b> The Audit Findings Report will be reported to the July Audit and Risk Committee.	July 2020	Not yet due
<b>Auditors Report</b> This is the opinion on your financial statement, annual governance statement and value for money conclusion.	July 2020	Not yet due
<b>Annual Audit Letter</b> This letter communicates the key issues arising from our work.	August 2020	Not yet due

# Sector Update

Local Authorities are tackling a continuing drive to achieve greater efficiency in the delivery of public services, whilst facing the challenges to address rising demand, ongoing budget pressures and social inequality.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider NHS and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- **Grant Thornton Publications**
- **Insights from local government sector specialists**
- **Reports of interest**
- **Accounting and regulatory updates**

More information can be found on our dedicated public sector and local government sections on the Grant Thornton website by clicking on the logos below:

Public Sector

Local  
government

# MHCLG – Independent probe into local government audit

In July, the then Communities secretary, James Brokenshire, announced the government is to examine local authority financial reporting and auditing.

At the CIPFA conference he told delegates the independent review will be headed up by Sir Tony Redmond, a former CIPFA president.

The government was “working towards improving its approach to local government oversight and support”, Brokenshire promised.

“A robust local audit system is absolutely pivotal to work on oversight, not just because it reinforces confidence in financial reporting but because it reinforces service delivery and, ultimately, our faith in local democracy,” he said.

“There are potentially far-reaching consequences when audits aren’t carried out properly and fail to detect significant problems.”

The review will look at the quality of local authority audits and whether they are highlighting when an organisation is in financial trouble early enough.

It will also look at whether the public has lost faith in auditors and whether the current audit arrangements for local authorities are still “fit for purpose”.

On the appointment of Redmond, CIPFA chief executive Rob Whiteman said: “Tony Redmond is uniquely placed to lead this vital review, which will be critical for determining future regulatory requirements.

“Local audit is crucial in providing assurance and accountability to the public, while helping to prevent financial and governance failure.”

He added: “This work will allow us to identify what is needed to make local audit as robust as possible, and how the audit function can meet the assurance needs, both now and in the future, of the sector as a whole.”

In the question and answer session following his speech, Brokenshire said he was not looking to bring back the Audit Commission, which appointed auditors to local bodies and was abolished in 2015. MHCLG note that auditing of local authorities was then taken over by the private, voluntary and not-for-profit sectors.

He explained he was “open minded”, but believed the Audit Commission was “of its time”.

Local authorities in England are responsible for 22% of total UK public sector expenditure so their accounts “must be of the highest level of transparency and quality”, the Ministry of Housing, Local Government and Communities said. The review will also look at how local authorities publish their annual accounts and if the financial reporting system is robust enough.

Redmond, who has also been a local authority treasurer and chief executive, is expected to report to the communities secretary with his initial recommendations in December 2019, with a final report published in March 2020. Redmond has also worked as a local government boundary commissioner and held the post of local government ombudsman.



# National Audit Office – Code of Audit Practice

The Code of Audit Practice sets out what local auditors of relevant local public bodies are required to do to fulfil their statutory responsibilities under the Local Audit and Accountability Act 2014. ‘Relevant authorities’ are set out in Schedule 2 of the Act and include local councils, fire authorities, police and NHS bodies.

Local auditors must comply with the Code of Audit Practice.

## Consultation – New Code of Audit Practice from 2020

Schedule 6 of the Act requires that the Code be reviewed, and revisions considered at least every five years. The current Code came into force on 1 April 2015, and the maximum five-year lifespan of the Code means it now needs to be reviewed and a new Code laid in Parliament in time for it to come in to force no later than 1 April 2020.

In order to determine what changes might be appropriate, the NAO is consulting on potential changes to the Code in two stages:

**Stage 1** involves engagement with key stakeholders and public consultation on the issues that are considered to be relevant to the development of the Code.

**This stage of the consultation is now closed.** The NAO received a total of 41 responses to the consultation which included positive feedback on the two-stage approach to developing the Code that has been adopted. The NAO state that they have considered carefully the views of respondents in respect of the points drawn out from the [Issues paper](#) and this will inform the development of the draft Code. A summary of the responses received to the questions set out in the [Issues paper](#) can be found below.

[Local audit in England Code of Audit Practice – Consultation Response \(pdf – 256KB\)](#)

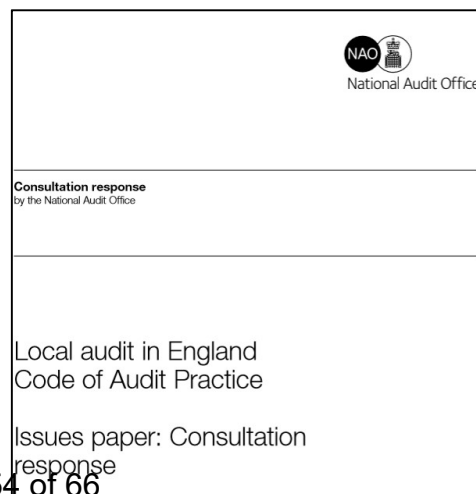
**Stage 2** of the consultation involves consulting on the draft text of the new Code. To support stage 2, the NAO has published a consultation document, which highlights the key changes to each chapter of the draft Code. The most significant changes are in relation to the Value for Money arrangements. Rather than require auditors to focus on delivering an overall, binary, conclusion about whether or not proper arrangements were in place during the previous financial year, the draft Code requires auditors to issue a commentary on each of the criteria. This will allow auditors to tailor their commentaries to local circumstances. The Code proposes three specific criteria:

- Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the body ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

The consultation document and a copy of the draft Code can be found on the NAO website. The consultation is open until 22 November 2019. The new Code will apply from audits of local bodies’ 2020-21 financial statements onwards.

Link to NAO webpage for the Code consultation:

<https://www.nao.org.uk/code-audit-practice/code-of-audit-practice-consultation/>



# Public Accounts Committee – Local Government Governance and Accountability

The Public Accounts Committee has found that the Government has not done enough to ensure that, at a time when local authority budgets are under extreme pressure, governance systems are improved.

The Ministry of Housing, Communities & Local Government (the Department) is responsible for: ensuring that this framework contains the right checks and balances, and changing the system if necessary. The Secretary of State also has powers to intervene in cases of perceived governance failure. The framework includes: officers with statutory powers and responsibilities; internal checks and balances such as audit committees and internal audit; and external checks and balances such as external audit and sector-led improvement overseen by the Local Government Association. These arrangements represent a significant reduction in the level of central oversight in recent years following the government's decision to abolish the Audit Commission and the Standards Board for England as part of a broader reform of local audit, inspection and reporting.

The Public Accounts Committee report summary notes “Local authorities have a good overall track record with governance arrangements generally robust across the sector, and there is evidence that local authority governance compares favourably to that of the health sector. However, this is not universal and in some authorities governance is under strain, as funding reduces and responsibilities and exposure to commercial pressures change. We are worried to hear about audit committees that do not provide sufficient assurance, ineffective internal audit, weak arrangements for the management of risk in local authorities’ commercial investments, and inadequate oversight and scrutiny. This is not acceptable in the more risky, complex and fast-moving environment in which local authorities now operate.

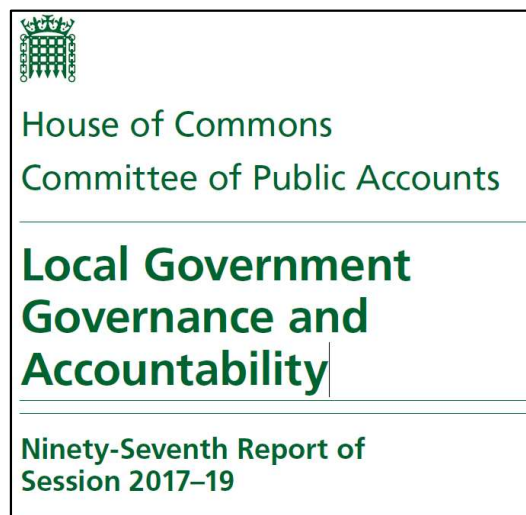
The Department has been reactive and ill-informed in its approach to oversight of the local governance system. However, the Department has now recognised that the network of bodies with responsibility for the local governance framework is fragmented and lacking the leadership needed to drive change. Encouragingly, the Department has now committed to enhancing its oversight role and producing a proactive work programme to deliver this change. We urge the Department to ensure that this activity leads to concrete actions and outcomes on a timely basis. When a local authority fails this has a significant impact on local people and the Department has a responsibility to work with local government to ensure that problems are caught early and that it can pinpoint at-risk authorities. Since the abolition of the Audit Commission and other changes culminating in the Local Audit and Accountability Act 2014 there is no central assessment of value for the money, which means the Department's work is fundamental.”

The report makes five conclusions, with associated recommendations:

- 1) The Department is not yet providing effective leadership of the local governance system.
- 2) The Department does not know why some local authorities are raising concerns that external audit is not meeting their needs.
- 3) The Department lacks reliable information on key governance risks, or relies on weak sources of information, meaning it has no way of pinpointing the at-risk authorities.
- 4) The Department's monitoring is not focused on long-term risks to local authority finances and therefore to services.
- 5) There is a complete lack of transparency over both the Department's informal interventions in local authorities with financial or governance problems and the results of its formal interventions.

The Government response is available on the website below:

<https://www.parliament.uk/documents/commons-committees/public-accounts/Gov-response-to-Public-Accounts-on-the-93-98-reports.pdf>







**WEST MIDLANDS FIRE AND RESCUE AUTHORITY** Item 8

**AUDIT AND RISK COMMITTEE**

**11 NOVEMBER 2019**

1. **CORPORATE RISK UPDATE**

Report of the Chief Fire Officer.

RECOMMENDED

THAT Audit and Risk Committee approve the removal of Corporate Risk 1.1.

2. **PURPOSE OF REPORT**

This update is provided to ensure Members remain informed about all aspects relating to the management of the Authority's corporate risks and to enable the effective and timely management to the Corporate Risk Register.

3. **BACKGROUND**

3.1 Corporate Risk 1.1 states:

Public Service Reform enables new duties and/or major changes to the governance, structure, role or activities of the Fire and Rescue Service requiring major re-organisation, resulting in an inability to deliver against organisational strategy and planned community outcomes.

In the Corporate Risk update provided to Members on 2 September 2019, Members were informed that in Quarter 1 2019/20 there was a decrease in Corporate Risk 1.1 External (Political and Legislative) Environment. This decreased from 6 (Likelihood 3 x Impact 2) to 2 (Likelihood 1 x Impact 2).

The change in The Plan 2019-2022 indicated at that time that there was limited risk of public service reform impacting on the delivery of strategy and core service delivery.

A recent review of this risk has recognised that the revision of the Authority's Strategy in February changed its approach to the development of locally commissioned work to support the wider prevention agenda, public service reform and the achievement of the financial efficiency plan. An impact of this was the need to adopt an approach to delivering front line services, flexibly enabling the management of resources on a daily basis to ensure the achievement of a balanced budget. This reduced the Authority's involvement in this activity and indeed the discontinuation of the transfer of governance reduced the reform of services for local communities.

This risk is no longer relevant at a strategic level. There is currently limited to no risk of public service reform impacting on the delivery of strategy, statutory and core service delivery.

#### 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 do not relate to a policy change.

#### 5. **LEGAL IMPLICATIONS**

There are no direct legal implications associated with the implementation of the recommendations set out in this report.

#### 6. **FINANCIAL IMPLICATIONS**

There are no financial implications associated with the implementation of the recommendations set out in this report.

#### 7. **ENVIRONMENTAL IMPLICATIONS**

None.

### **BACKGROUND PAPERS**

Corporate Risk Update to Audit Committee, 2 September 2019

The contact for this report is Karen Gowreesunker, Strategic Enabler – Strategy and Intelligence, telephone number 0121 380 6677.

Ref. AR/2019/Nov/22810193

PHIL LOACH  
CHIEF FIRE OFFICER

Ref. AR/2019/Nov/22810193



# WEST MIDLANDS FIRE AND RESCUE AUTHORITY

## AUDIT AND RISK COMMITTEE

### WORK PROGRAMME 2019/20

Date of Meeting	Item	Responsible Officer	Completed
<b>2019</b>			
29 July 2019	Terms of Reference of Audit and Risk Committee	Democratic Officer	
	Audit Findings 2018/19	Grant Thornton	
	Statement of Accounts 2018/19 (Approval)	Treasurer	
	Treasury Management Annual Report 2018/19	Treasurer	
	Minutes of the Audit and Risk Committee held on 3 June 2019	Democratic Officer	
	Minutes of the Pensions Board held on 4 March 2019	Pension Board Representative	
	Minutes of the Pensions Board held on 4 June 2019	Pension Board Representative	
	Pension Board Annual Report	Pension Board Representative	
	Training Requirements of Audit and Risk Members		

(Official – WMFS – Public)

	Audit and Risk Committee Draft Work Plan 2019/20	Democratic Officer Democratic Officer	
2 September	Corporate Risk Six Monthly Report	ACO Strategic Enabler (Process)	
	Annual Audit Letter 2018/19	Grant Thornton	
	Audit and Risk Committee Update	Grant Thornton	
	Request of Member to Discontinue Payment of Periodical Contributions – New Firefighters' Pension Scheme (2006)	Treasurer	
	Pensionable Pay Decision	Treasurer	
	Residential Homes	Treasurer	
	Minutes of the Audit and Risk Committee held on 29 July 2019	Democratic Officer	
	CIPFA Audit Committee Update Issue 29	Auditor	
	Audit and Risk Committee Workplan 2019/20	Democratic Officer	
30 September [Authority]	Audit Findings 2018/19 Statement of Accounts 2018/19 (to note)	Grant Thornton Treasurer	

(Official – WMFS – Public)

11 November	Presentation on Vacant Resident Properties	David Gardiner	
	Minutes of the Audit and Risk Committee held on 2 September 2019	Democratic Officer	
	Treasury Management – Mid year review 2019/20	Treasurer	
	Audit and Risk Committee Update	Grant Thornton	
	Internal Audit Progress Report and Audit Overview	Audit Manager	
	Corporate Risk Update	Democratic Officer	
	Audit Committee Work Plan	Clerk	
	Fraud Awareness Training	Phil Tromans John Matthews	

2020			
13 January	Minutes of the Audit and Risk Committee held on 11 November 2019	Democratic Officer	
	Internal Audit Progress Report	Audit Manager	
	Internal Audit Charter – Annual Review	Audit Manager	

(Official – WMFS – Public)

	<p>Audit and Risk Committee Update</p> <p>Audit and Risk Committee Work Plan</p> <p>Minutes of the Pension Board held on 10 September 2019</p> <p>Minutes of the Pension Board held on 16 December 2019</p>	<p>Grant Thornton</p> <p>Democratic Officer</p> <p>Democratic Officer</p>	
23 March	<p>Audit and Risk Committee Terms of Reference</p> <p>Internal Audit Plan 2020/21</p> <p>Audit Plan 2019/10</p> <p>Corporate Risk Report Six Monthly Update</p> <p>Communication with the Audit Committee for WMFRA</p> <p>Audit and Risk Committee Update</p> <p>Minutes of the Audit and Risk Committee held on 13 January 2020</p> <p>Audit and Risk Committee Work Plan</p>	<p>Audit Manager</p> <p>Audit Manager</p> <p>Grant Thornton</p> <p>ACO Strategic Enabler (Process)</p> <p>Grant Thornton</p> <p>Grant Thornton</p> <p>Democratic Officer</p> <p><i>Audit Manager</i></p>	

(Official – WMFS – Public)



	<i>Committee Members' Private meeting with Internal Auditors (to follow Committee)</i>		
1 June 2019	<p>Annual Internal Audit Report 2019/20</p> <p>Governance Statement 2019/20</p> <p>Monitoring Policies and RIPA (Annual Whistleblowing Report)</p> <p>Annual Report of the Audit and Risk Committee 2019/20 for approval</p> <p>Audit and Risk Committee – Verbal Update</p> <p>Minutes of the Audit and Risk Committee held on 23 March 2019</p> <p>Minutes of the Pensions Board held on ?March 2019</p> <p>Annual Report of the Pension Board 2019/10</p> <p>Audit and Risk Committee Work Plan 2019/2020</p> <p><i>Committee Members' Private meeting with External Auditors</i></p> <p><i>Workshop for Members on Statement of Accounts 2019/20</i></p>	<p>Audit Manager</p> <p>Treasurer</p> <p>Monitoring Officer/ ACO Strategic Enabler (Process)</p> <p>Chair</p> <p>Grant Thornton</p> <p>Democratic Officer</p> <p>Democratic Officer</p> <p>Chair, Pensions Board</p> <p>Democratic Officer</p> <p><i>Grant Thornton</i></p> <p><i>Treasurer</i></p>	

(Official – WMFS – Public)

22 June 2020 [Authority]	Governance Statement 2019/2020  Minutes of the Audit and Risk Committee held on 1 June 2019  Annual Report of the Audit and Risk Committee 2019/20	Treasurer  Democratic Officer  Chair	

July 2020 (Audit and Risk Committee 2020/21)	Audit Findings 2019/20  Statement of Accounts 2019/20 (Approval)  Treasury Management Annual Report 2019/20  Audit and Risk Committee Draft Work Plan 2020/21  Minutes of the Pension Board held June 2020 Annual Report of the Pension Board	Grant Thornton  Treasurer  Treasurer  Democratic Officer
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(Official – WMFS – Public)