

Minutes of the Audit and Risk Committee

07 December 2020 at 12.00hrs

Conducted as a digital meeting

Present: Councillor Catherine Miks (Chair), Councillors Barrie, Miller, Spence, Mr Ager, Richard Percival (Grant Thornton) and John Matthews (Sandwell MBC)

Apologies: Councillor Gill (Vice Chair), Karen Gowreesunker (WMFS) Neil Chamberlain (West Midlands Police and Chair of WMFS Pension Board)

Officers in attendance: Martina Doolan, Mike Griffiths, Paul Gwynn, Prakash Singh, Kal Shoker, Gary Taylor

37/20 Declarations of Interest

There were no declarations of interest registered.

38/20 Minutes of the Audit and Risk Committee held on 26 October 2020

Resolved that the minutes of the Audit and Risk Committee held on 26 October 2020 be approved as a correct record of proceedings.

39/20 Request for a decision on action to be taken in respect of immediate detriment cases under the McCloud - Sargeant Ruling

Mike Griffiths introduced the report and passed to Paul Gwynn for presentation of its content. The overall context was summarised that the Government is currently in a consultation process regarding proposals to remove unlawful age discrimination in the fire fighters pension schemes. The changes proposed in the consultation to remove the discrimination (which will subsequently apply across all the main public service pension schemes) will provide members with a choice of which

scheme they would like to be in for the remedy period (the period for the discrimination to be resolved). The remedy period is defined as between 1 April 2015 and 31 March 2022.

Members enquired of the different scenarios affecting staff and of the numbers potentially affected. These were explained by pension scheme and confirmation of approximately sixty persons retiring during the period February 2021 to March 2022.

Members discussed the merits of the guidance and the potential for litigation should it not be applied, or legal advice overturned. Paul Gwynn confirmed that correspondence to fire fighters will explain the law as it stands at the time and if judgements were different benefits would be reviewed and amended as required. Such an approach was mitigating risk for employer and employee.

The Committee **approved** the recommendation that the Scheme Administrator apply the guidance issued by the Home Office to cases where a Firefighter retires on or after 1st February 2021 and to any eligible cases of ill health retirement.

40/20 **Corporate Risk Report**

Gary Taylor presented the report, detailing a nine-month period covering Quarter 4, 2019/20 and Quarters 1 and 2, 2020/21. In addition, the report provided an update on the management of Corporate Risk through the Business Continuity arrangements which were put in place in March 2020. The importance of this was emphasised as it was provided to ensure Members remain informed about all aspects relating to the management of the Fire Authority's Corporate Risks.

It was reported that Corporate Risk continued to effectively managed. Members attention was drawn to the three indicators that experienced an increase or decrease during the period reported.

During Quarter 1, 2020/21 there was a reduction in the risk score for Corporate Risk 1.2 External (Political and Legislative) Environment. This was due to the collaboration across the region including regular liaison with Local Authorities and the West Midlands Combined Authority through formal structures,

e.g. the Strategic Co-ordinating Group and the Local Resilience Forum.

There was a reduction in the risk score for Corporate Risk 2.1 (People). This was due to the positive engagements with staff and representative bodies during the first three months of the pandemic.

There was an increase in the risk score for Corporate Risk 4.1 (Protection). This was due to COVID-19 having an impact on the ability for Fire Safety Inspection Officers being unable to visit high risk premises during the first three months of the pandemic. However, during Quarter 2, 2020/21 this was reduced due to the recommencing of audits of high-risk premises.

The Chair commended the management of risk given the unprecedented circumstances the Service had been operating within during the period of the report. A Member supported this comment, referencing Fire Safety Inspections, enquiring if the supply of increasingly powerful fireworks had impacted upon risk management. Gary Taylor responded that risk calculation had identified private fireworks storage as a potential issue with the absence of public displays. There had been no issues found during Inspections and the associated Prevention Communication strategy in local and social media had assisted this outcome. Members were advised the Service continued to focus upon the potential latent availability of fireworks due to absence of public display provision.

The Committee **approved** the Corporate Risk Assurance Map Summary (Quarter 4, 2019/20 and Quarter 2, 2020/21 and **noted** the management of Corporate Risk through the Business Continuity arrangements for Quarter 1 and 2, 2020/21.

41/20 Annual Report of the Senior Information Risk Owner

Gary Taylor introduced the context of the role of a Senior Information Risk Owner (SIRO). It was explained that across the public sector, many organisations produce an Annual Report from the SIRO to provide further detail about performance against specific legislation such as the Data Protection Act 2018 but also to consider the wider risks and mitigations related to information governance.

A presentation summarising the Annual SIRO report (Appendix 2 of the report) was provided by Martina Doolan. Members were informed of the roles and responsibilities hierarchy for managing data/information, the purpose of an annual report, an overview of its content and the key findings. It was confirmed the Service has moved to a proactive position for Management of Information.

A Member welcomed the report as a useful development for managing process and risk, commenting it was positive the Service seeking out good practice within other organisations to develop its approach. The Chair enquired how much poor practice was based upon human error. It was advised that most incidents were due to such circumstances and future training would be based upon case studies to reinforce awareness and practice in this area.

The Chair requested that Gary Taylor consider the Scrutiny Committee being made aware of the Annual SIRO Report and their undertaking a review of staff training regarding management of information. Gary Taylor confirmed he would progress discussion and report back for Member decision, enabling assurance of outcome.

The Committee **noted** the Annual Report of the Senior Information Risk Owner.

42/20 **Verbal Update on Audit Progress - Grant Thornton**

Richard Percival of Grant Thornton provided a verbal update on progress of the West Midlands Fire Service audit for 2019-20.

Members were advised the audit opinion would be delivered prior to Christmas 2020. There is supplementary work being undertaken on the land evaluation and assets parts of the audit. It was explained this was due to perceived gaps in the audit review and was not an issue arising of any work or documents supplied by officers of the Service. It was also confirmed the audit of the West Midlands Pension Fund had been completed and would be considered in relation to any impact on the West Midlands Fire Service audit.

The Chair acknowledged progress and **agreed** to provide comment upon receipt of the audit findings by the Committee.

43/20 **Minutes of the Pensions Board on the 14 May 2020**

The minutes were presented for information to the Audit and Risk Committee in their role as Scheme Manager. There were no matters arising.

The Committee **noted** the content of the minutes.

44/20 **Minutes of the Pensions Board on the 30 July 2020**

The minutes were presented for information to the Audit and Risk Committee in their role as Scheme Manager. There were no matters arising.

The Committee **noted** the content of the minutes.

45/20 **Minutes of the Pensions Board on the 11 September 2020**

The minutes were presented for information to the Audit and Risk Committee in their role as Scheme Manager. There were no matters arising.

The Committee **noted** the content of the minutes.

46/20 **Draft Audit and Risk Work Plan 2020-2021**

The Committee **noted and approved** its work programme for 2020-21.

The meeting closed at 13.10 hours.

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