

## Minutes of the Audit Committee

15 January 2018  
at Fire Service Headquarters, Vauxhall Road, Birmingham B7 4HW

**Present:** Councillors T Singh (Chair), Cartwright, Idrees, Sealey, P Singh, Williams and Mr Ager (Independent)

**Apology:** Councillor Aston

1/18 **Declarations of Interest in contracts or other matters**

There were no declarations of interest.

2/18 **Minutes of the Audit Committee held on 19 December 2017**

**Resolved** that the minutes of the meeting held on the 19 December 2017 be approved as a correct record.

3/18 **Internal Audit Charter 2018**

The Committee reviewed the Internal Audit Charter and noted that there had been no changes made to the Internal Audit Charter since the last annual review in February 2017. The Internal Audit Charter was introduced in 2014 and was based on the national model for local government organisations.

In response to a Member's question about the General Data Protection Regulation (GDPR), it was confirmed that the Fire Authority are responsible for this area. The Authority will be adding processes to meet the legislation and it will form part of this year's Audit Plan, when the Auditor will be conducting a risk based assessment of requirements and expectations.

The Treasurer confirmed that this also featured as part of the Auditor's Update and arrangements were in place to ensure that the organisation was well positioned to meet the legislation.

4/18 **Audit Committee Update**

The Auditor updated the Committee on the progress made to date in respect of the Financial Statement Audit, Value for Money and meetings and events.

In respect of the Financial Statements Audit, an interim audit would commence in January and initial testing would take place in February and March 2018. Any significant findings would be reported to the next meeting of the Audit Committee and the Auditor was confident that the work would be completed in early June to meet the end of July deadline. The Auditor was confident that this deadline would be met as it had been met in 2017.

It was confirmed that the Deputy Treasurer would be attending one of the two Chief Accountant Workshops being run by Grant Thornton in Birmingham on the 7 and 28 February 2018.

The Update provided the Committee with a summary of emerging national issues and developments. The Committee noted:

- DCLG Publication – Independent Review of Building Regulations and Fire Safety: interim report

Dame Judith Hackitt's interim report had been published on 18 December 2017 and the work had found that the current regulatory system for ensuring fire safety in high-rise and complex buildings is not fit for purpose. The National Fire Chief's Council had welcomed the findings of the report and the interim recommendations clarified their concerns in the areas of clarity of guidance, competence, timing, procedures to hand over safety information and Fire Risk Assessments and the lack of qualifications.

A final report would be published in Spring 2018.

- Grant Thornton Publication – Combined Authorities: Signs of Success

The four key findings from the report were:

- To reduce Institutional blurring
  - Add value through targeted investment and strategic co-ordination
  - There was no one single checklist or set of criteria
  - Creation of a balanced set of benchmarks
- 
- Commercial Healthcheck
  - Overview of General Data Protection Regulation (GDPR)

- CIPFA Publications:
  - The Guide to Local Government Finance
  - An introductory guide to local government finance 2017
  - Pooled Budgets and the Better Care Fund: A practical Guide for Local Authorities and Health Bodies 2017
- DCLG Consultation on proposed changes to the prudential framework of capital finance

Member's commented on the risks to tenants in Birmingham where a number of high rise residential buildings were being built and the impact this would have on the Fire Service. The Treasurer agreed to forward the details of the planning applications to the protection officers, but stated that some of the applications may have come through prior to the incident at Grenfell Tower. The Treasurer also stated that any building should not rely on one fire prevention measure and should not be considered in isolation.

#### 5/18 **Internal Audit Progress Report**

The Committee noted the Internal Auditor's regular Progress Report on the 2017/18 Audit Plan. The Committee were pleased to receive the outcomes of the audits that had been undertaken so far and noted the other audits to be completed by the end of the financial year.

It was noted that the Management of Fuel audit report was still in draft form. Three issues had been identified and the Auditor was awaiting feedback from management, although one Member thought that the contents of the report were an improvement on the 2016/17 audit.

#### 6/18 **Audit Committee - Self-assessment Evaluating the Effectiveness**

The Committee had completed the CIPFA recommended self-assessment and Member's knowledge and skills framework and felt they had a good knowledge of Audit Committee member requirement and appropriate skills. The Committee were now required to complete stage three of their self-assessment of good practice and effectiveness exercise.

The Committee were requested to return Appendix A of the report to [Julie.Connor@wmfs.net](mailto:Julie.Connor@wmfs.net) in the Strategic Hub by end of January 2018. Members were requested to leave blank any answers of which they were unsure and the outcome of the Evaluation would be reported to the next Audit Committee in March 2018.

#### 7/18 **Audit Committee Work Programme 2017/18**

The Committee noted its Work Programme for the remainder of 2018.

8/18 **Update on Topical, Legal and Regulatory Issues (Verbal Report)**

The Treasurer stated that a response to the Consultation on the Provisional Financial Settlement was due to be returned on Tuesday 16 January 2018 and Members were reminded to respond by the close of Monday 15 January 2018.

The Internal Auditor stated that details of an Audit Committee Forum taking place at Wolverhampton Art Gallery on the morning of Thursday 15 March 2018 would be circulated to Members of the Audit Committee.

The meeting finished at 1221 hours.

Julie Connor  
Strategic Hub  
0121 380 6906  
[Julie.Connor@wmfs.net](mailto:Julie.Connor@wmfs.net)