

Minutes of the meeting of the OVERVIEW AND AUDIT COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 25 SEPTEMBER 2013 at 10.00 am

Present: Councillors Chilver, Exon, Glover, Huxley, Mallen, Vigor-Hedderly (part), Watson and Webb (part)

Officers: J Thelwell (Chief Operating Officer) D Skinner (Director of Finance and Assets), G Britten (Director of Legal and Governance), M Hemming (Technical Accountant) M Gibb (Internal Audit Manager) S Gowanlock (Corporate Planning Manager), H Kent (Organisation Development Manager) M West (External Auditor) and K Nellist (Democratic Services Officer)

Apologies: Councillor Bendyshe-Brown

OA08 APPOINTMENT OF VICE-CHAIRMAN

It was moved and seconded that Councillor Bendyshe-Brown in his absence would be appointed Vice-Chairman of the Committee 2013/14.

RESOLVED –

That Councillor Bendyshe-Brown be appointed as Vice-Chairman of the Committee for 2013/14.

OA09 MINUTES

RESOLVED –

That the Minutes of the meeting of the Overview and Audit Committee held on 26 June 2013, be approved and signed by the Chairman as a correct record.

OA10 TREASURY MANAGEMENT PRACTICES

(Councillor Vigor-Hedderly joined the meeting)

The Committee were advised by the Director of Finance and Assets that this report was part of the financial control framework which exists to ensure the proper application and control of public money and to safeguard officers involved in the financial processes and is based on best practice.

The Committee discussed the report and requested information on the size of investments and details of where the investments are made. The Director of Finance and Assets highlighted that this information is provided in a quarterly report to the Executive Committee.

The Committee requested that authorised limits for each staffing position are detailed both in terms of length and amount.

RESOLVED –

That the Treasury Management Practices document be approved.

That the Director of Finance and Assets in the next review include additional information on the length and amount of investment that each staffing position is authorised to undertake.

OA11 CORPORATE RISK MANAGEMENT

(Councillor Webb joined the meeting)

The Corporate Planning Manager advised Members that as requested at the last meeting, scales had been added to the risk maps at Annexes A and B and a guide to Risk Management had been included at Annex D. Also for Members to note that the report had been prepared before the Fire Brigades Union ballot had been announced.

The Committee Members were asked to note that there had been a number of changes to the Risk Register since the last update.

CRR14.4 (Staff availability) the likelihood rating had been increased following the outcome of the FBU's ballot of its members for industrial action in relation to proposed changes to the Firefighter pension schemes, whilst the impact rating had been reduced.

FIN14 (Funding) the RAG status had been reduced to amber as the scale of the reduction in future government funding is now known;

The risks with a green RAG status (CRR005.1 – partnership failure and CRR8.2 corporate planning processes) had been de-escalated to the relevant directorate risk registers.

The Corporate Planning Manager and the Chief Operating Officer then updated Members on the business continuity plan in light of the strike which was due to commence at 12pm that day.

Members thanked Officers for the numerous updates they had received in relation to the strike.

RESOLVED –

That the status report on identified corporate risks be noted.

OA12 ANNUAL GOVERNANCE STATEMENT

The Director of Legal and Governance advised Members that this report looked back at the significant governance issues addressed in 2012/13 and looked forward at the issues to be addressed in 2013/14.

A large amount of evidence gathering had been undertaken by Officers to support the Annual Governance Statement. The Director of Legal and Governance paid particular thanks to the efforts of Neil Boustred Group Manager Prevention & Protection Policy, the Head of Finance and the Technical Accountant.

Before the report is published Members asked for the following:

- a. Item 6 'Engaging with local people and other stakeholders to ensure robust public accountability' – "tackling disadvantage boards" the term to be explained.
- b. Page 104 missing text to be added.
- c. That the Chief Operating Officer be added as Lead Officer in Appendix B, Item 2.

Subject to those amendments being made it was

RESOLVED -

1. That the Annual Governance Statement be approved.
2. That the progress on the implementation of recommendations of the previous Annual Governance Statement be acknowledged.
3. That the priorities of the 2013-14 Statement be agreed.

OA13 AUDIT RESULTS REPORT

The Committee considered the summary of findings from the 2012/13 audit which is substantially complete.

The Committee noted that the audit concluded that the Authority had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

The External Auditor advised Members that the Authority had prepared its financial statements well and this was reflected in the low number of issues to be noted. There were no significant risks to be identified.

RESOLVED -

That Members note the content of the report.

OA14 ADOPTION OF THE AUDITED STATEMENT OF ACCOUNTS

The Committee considered the Audited Statement of Accounts that set out the financial activities of the Authority for the year ended 31 March 2013, which it noted had to be adopted by 30 September 2013.

The Director of Finance and Assets advised Members that the Authority was in a fairly healthy financial position, showing a good level of consistency and making progress with financial activities. General future prospects were dependant on the final settlement from Government.

RESOLVED -

That the Statement of Accounts for the financial year ended 31 March 2013 be approved and be signed by the Chairman on behalf of the Authority.

OA15 LETTER OF MANAGEMENT REPRESENTATION

The Committee considered the letter of Management Representation to Ernst & Young LLP, prior to its signing by the Chief Finance Officer and Chairman. The Committee noted that submission of the letter would allow the audit opinion and certificate to be issued to the Authority.

The Committee noted that before signing a slight amendment at the end of the letter would be made.

RESOLVED -

That the letter of representation relating to the audit of the Authority's financial statements for the year ended 31 March 2013 be confirmed and signed by the Chief Finance Officer and the Chairman of the Committee, for submission to Ernst & Young LLP.

OA16

INTERNAL AUDIT REPORT

The Internal Audit Manager updated Members on the following audit reports:

(A) INTERNAL AUDIT REPORT: FINAL AUDIT REPORT

The Committee received an update on the findings of the finalised internal Audit Report.

The Committee noted that one report had been finalised since the last meeting on 26 June 2013 which was the 2012/13 Workforce Planning, Training and Appraisal / Performance Management Final Report.

The Committee were asked to note the definition of assurances at Appendix B.

RESOLVED -

That the recommendations raised in the finalised Internal Audit Report be noted.

(B) INTERNAL AUDIT REPORT: UPDATE OF PROGRESS OF THE ANNUAL AUDIT PLAN.

The Committee received an updated on the progress of the annual internal audit plan since the last meeting on 26 June 2013.

The committee noted that work was progressing according to plan on 2013/14 audits with one at draft report stage and one at fieldwork stage.

RESOLVED -

That the progress of the Annual Internal Audit Plan be noted.

(C) INTERNAL AUDIT REPORT: UPDATE OF PROGRESS OF AUDIT RECOMMENDATIONS

The Committee received an update on the progress of the implementation of audit recommendations made since the last meeting on 26 June 2013.

The Committee noted that out of the 36 recommendations arising from the various audit reports, 22 had been fully implemented, 12 were on track but not yet due and 2 had not been implemented and had their due dates revised.

RESOLVED -

That the progress on the implementation of recommendations be noted.

OA17

DATE OF NEXT MEETING

The Committee noted that the next meeting of the Committee is scheduled to take place on Wednesday 4 December 2013 at 10.00am, subject to suitable and sufficient business being available for consideration.

THE CHAIRMAN CLOSED THE MEETING AT 11.10 AM

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