

Minutes of the meeting of the OVERVIEW AND AUDIT COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 12 MARCH 2014 at 10.00 am

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

Officers: D Skinner (Director of Finance and Assets), G Britten (Director of Legal and Governance), M Gibb (Internal Audit Manager), D O'Driscoll (Head of Service Development), J Parsons (Area Manager), S Gowanlock (Corporate Planning Manager), and R Ibberson (Mazars LLP for Internal Audit)

Apologies: Councillor Vigor-Hedderly

OA18 MINUTES

RESOLVED –

That the Minutes of the meeting of the Overview and Audit Committee held on 25 September 2013, be approved and signed by the Chairman as a correct record.

OA19 2012/13 STATEMENT OF ASSURANCE

It was explained to the Committee that it was now a requirement as set down in the National Framework that the Authority approve and publish an annual Statement of Assurance; that the Statement of Assurance consolidates many of the existing internal assurance processes; and that the Secretary of State will use it to inform biennial reports to Parliament as to whether fire and rescue authorities are acting in accordance with the National Framework.

In answer to a question it was explained that although there was no additional funding to accompany this new requirement, the obligation was not too burdensome as the annual Statement of Assurance in essence summarises and consolidates a lot of existing internal documents. In compiling the annual Statement of Assurance regard had been given to the 'light touch' statutory guidance and the Statement of Assurance had been through the internal scrutiny of the Performance Management Board and the Strategic Management Board.

A question was asked as to why targets such as road traffic collisions and anti-social behaviour were included in the appended Public Safety Plan performance summary. It was explained that these were targets set down in the extant Public Safety Plan/IRMP. As to a question raised about benchmarking: targets within a fire and rescue authority's IRMP are a matter for each individual fire and rescue authority, so it is not necessarily possible to benchmark across fire and rescue authorities as the performance measures are dependent on what targets are set.

It was explained by the Director of Legal and Governance that the document itself would not be sent to the DCLG but it was a requirement to publish the document on the Authority's website.

It was noted that the DCLG was apparently already checking websites in order to see if Statements of Assurance for year 12/13 were being approved and published.

RESOLVED –

That the 2012/13 Statement of Assurance be approved and attested by the signature of its Chairman.

(Councillor Webb joined the meeting)

OA20

CORPORATE RISK MANAGEMENT

The Committee noted that staff availability had been reduced in its risk level from red to amber due to the effectiveness of the contingency arrangements that the Authority had been able to be put in place during the recent periods of industrial action; and because there had been no announcements of intended further action. The Committee was informed that it appeared that industrial action regarding the current trade dispute was in abeyance - although it was a dynamic situation and the risk level will continue to be monitored.

The Vice-Chairman congratulated the way this particular risk had been managed especially when compared to the arrangements in some other fire and rescue authorities.

In answer to a question in connection with the risk of funding being reduced from a risk level of 16 to 12, it was explained by the Director of Finance and Assets that although the funding outlook from central government is challenging, the Authority has plans in place that should enable it to deliver savings to meet the reduced level of funding.

RESOLVED –

That the status report on identified corporate risks be noted.

OA21

REVIEW OF FINANCIAL REGULATIONS

It was explained to the Committee that the changes to the Financial Regulations were essentially cosmetic and reflected matters such as changes in post holders' job descriptions and various changes in terminology.

In answer to a question as to the meaning of 'unofficial funds' at 1.5 of the Financial Regulations, it was explained that these are funds that do not form part of the Authority's accounts.

RESOLVED –

That the Financial Regulations as amended be recommended to the Authority for approval.

OA22

INTERNAL AUDIT REPORT

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

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

The Internal Audit Manager gave an update on progress against the Annual Audit Plan, with some audits having reached report stage whilst others are still at the field work stage.

In answer to a question as to findings of 'reasonable', it was explained that outcomes can fall into three categories: *limited*, *reasonable*, or *substantial*. For the benefit of Members who were new to the Authority, it was explained by the Director of Finance and Assets that obtaining reasonable in the opinion of the Auditors was an achievement reflecting a lot of work that had been undertaken; and that officers were now looking to embed 'reasonable' across all areas of audit with the aim to achieving 'substantial'.

RESOLVED -

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

(B) INTERNAL AUDIT REPORT: FINAL AUDIT REPORTS

The Internal Audit Manager gave an update on the findings of the finalised Internal Audit reports. One report 'Fleet Management Audit - Pool & Station Vehicles' had been finalised since the last meeting. The terminology of 'White Fleet' was explained in answer to a Member's question as including pool cars, station based cars and small vans - in contrast to 'Red Fleet' being fire appliances and fire engines; and 'Grey Fleet' being privately owned vehicles that might be used on Authority business.

In answer to a question about the frequency of stock takes it was explained that these were undertaken annually as part of the statement of accounts; but would be able to be done 'in real time' in future as part of the asset management roll out.

Four recommendations had been made- and agreed by the management - in the audit.

RESOLVED -

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

(C) INTERNAL AUDIT REPORT: DRAFT INTERNAL AUDIT STRATEGY AND AUDIT PLAN 2014/15

The Committee was given assurance by the Internal Audit Manager that in her view the areas identified for audits in the draft plan adequately reflected the areas of risk to the Authority and highlighted the 30 days allocated to Core Financial Controls and ten days for ICT Strategy including data quality and

information governance. Furthermore, Internal Audit would be able to react to any changes in areas of perceived risk by the flexibility afforded by 15 Contingency days.

In answer to a question from the Chairman it was confirmed that the formulation process of the annual Statement of Assurance would be audited as part of the five day Corporate Governance audit.

RESOLVED -

That the latest Internal Audit Strategy and Plan for 2014/15 be approved.

(D) INTERNAL AUDIT REPORT: PROGRESS OF AUDIT RECOMMENDATIONS

The Internal Audit Manager stated that there was nothing arising from previous audits that need concern the Committee. In all areas there was evidence of recommendations being implemented including in service areas that had seen changes in staff.

RESOLVED -

That the progress on the implementation of recommendations be noted.

Before closing the meeting the Chairman noted that there were whole council elections due to be held in Milton Keynes in May; and thanked the Committee's Milton Keynes members for their work on the committee. In response, Councillor Webb commented that although it had been a challenging year for the service with matters such as the proposals for the control room, the trade dispute, and the flooding, he was very proud of the service. Councillor Mallen stated that she had been present in full council meetings of both Buckinghamshire County and Wycombe District where the respective leaders had praised the Authority and its employees for the flood relief efforts.

The Chairman stated that the next meeting of the Committee would not be known until decided upon by the Authority at its AGM on 24 June 2014.

THE CHAIRMAN CLOSED THE MEETING AT 10.40 AM