

Minutes of the meeting of the OVERVIEW AND AUDIT COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 16 JULY 2014 at 10.00 am

Present: Councillors Bendyshe-Brown, Chilver, Exon, Huxley, Mallen, Vigor Hedderly, Watson and Wilson

Officers: D Skinner (Director of Finance and Assets), G Britten (Director of Legal and Governance), M Gibb (Internal Audit Manager), M Osborne (Head of Service Transformation), K McCafferty (Head of Human Resources), S Gowanlock (Corporate Planning Manager), and K Nellist (Democratic Services Officer)

Apologies: Councillor Glover

OA01 ELECTION OF CHAIRMAN

(Councillor Bendyshe-Brown presiding)

It was moved and seconded that Councillor Watson be elected Chairman of the Committee 2014/15.

RESOLVED –

That Councillor Watson be elected as Chairman of the Committee for 2014/15.

(Councillor Watson in the Chair)

OA02 APPOINTMENT OF VICE-CHAIRMAN

It was moved and seconded that Councillor Bendyshe-Brown be appointed Vice-Chairman of the Committee 2014/15.

RESOLVED –

That Councillor Bendyshe-Brown be appointed as Vice-Chairman of the Committee for 2014/15.

OA03 MINUTES

RESOLVED –

That the Minutes of the meeting of the Overview and Audit Committee held on 12 March 2014, be approved and signed by the Chairman as a correct record.

OA04 CORPORATE RISK MANAGEMENT

The Committee noted that the risk register was last reviewed by the Overview & Audit Committee on 12 March 2014 and had been regularly reviewed by the Performance Management and Strategic Management Boards most recently in May and June.

No new corporate risks had been identified and scores remain unchanged. Particular attention had been paid to:

- Risk 7.1 (Lapse or breach of information security) – a recent virus attack across the network and the breakdown of CCTV at the Merlin Centre and;
- Risk 14.4 (Staff Availability) – a dynamic risk in light of the recent industrial action.

In relation to Risk 14.4 above, the Chairman asked the Head of Service Transformation to give Members an update on the recent industrial action.

The Head of Service Transformation advised Members that even with the current extended period of industrial action between the Government and the Fire Brigades Union, the Authority's contingency arrangements had remained strong and there had not been a need to elevate this on the risk register. There had been a period of 15 individual strikes which would amount to 30 periods of strike action in total.

The Authority's position on partial performance had not changed but a local agreement had been reached and the start/finish times of one of the night shifts had been changed so that it didn't coincide with the strike period. One of the main drivers around the non-acceptance of partial performance was the associated cost implications for the tax payers of Buckinghamshire and Milton Keynes and by changing the shift start/finish times it became cost neutral to the Service.

Members commended the Chief Fire Officer and his officers on their contingency planning and for reaching a local agreement with regard to partial performance and being cost neutral.

In answer to a question about what action had been taken with regard to risk 7.1 breakdown of information security. A written response would be provided by the Information Governance and Compliance Manager to the Member asking the question and a copy placed in the Members' library.

RESOLVED –

That the Committee Members reviewed the status report on identified corporate risk at Annex C and feedback comments to officers for consideration and attention in future updates/reports.

OA05 INTERNAL AUDIT REPORT

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

(A) INTERNAL AUDIT REPORT: FINAL AUDIT REPORTS

The Internal Audit Manager gave an update on the findings of the finalised Internal Audit reports. Three reports had been finalised, two were attached, Core Financial Controls and Treasury Management, the third report would be reviewed at the next Strategic Management Board and presented to the Committee in September.

The Core Financial Controls had been reviewed and awarded 'substantial' assurance, which was an improvement on the previous year. Some areas for improvement had been identified, one high, three medium and four low recommendations, all of which had been agreed with Management and had already been actioned.

Members noted it was the first year that the management of the treasury function had been the responsibility of the Authority; it had previously been administered by Buckinghamshire County Council. It is also the first year this area had been audited and was found to be well controlled and awarded 'substantial' assurance. There were two medium and one low recommendations, all of which had been agreed with Management and two had already been implemented.

(Councillor Andy Huxley left the meeting)

In answer to a question as to whether the Authority could get better interest rates through Buckinghamshire County Council being a larger Authority. The Director of Finance and Assets assured Members that through the previous arrangements although there was no risk to the Authority, the financial reward was not as great.

(Councillor Andy Huxley re-joined the meeting)

RESOLVED –

That the recommendations raised in the finalised Internal Audit reports are noted.

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

The Internal Audit Manager stated the purpose of this paper was to update Members on the progress of the implementation of audit recommendations made as at 30 June 2014.

The Committee noted that out of the 52 recommendations arising from the various audit reports, 35 had been fully implemented and 17 were not yet due to be implemented.

There are no outstanding recommendations at this time.

RESOLVED -

That the progress on the implementation of recommendations be noted.

(C) ANNUAL REPORT OF THE CHIEF INTERNAL AUDITOR

The Committee, as the Committee charged with governance, considered the Annual Report of the Chief Internal Auditor on the internal control environment.

The Committee noted that the Chief Internal Auditor's opinion was that the Fire Authority's system of internal control provides 'reasonable' assurance regarding the effective, efficient and

economic exercise of the Authority's functions. During 2013/14 there had been further improvement to the Authority's system of internal control through the on-going development of policies and procedures covering the key control process.

A question was asked as to whether all planned audits had been completed. Members were advised that all audits had been completed. The ICT strategy was finalised and Asset Management was in the process of being finalised. These two reports would be brought to the Committee later in the year.

In answer to a question regarding the internal audit work plan for next year, the Internal Audit Manager confirmed that this had been brought before the Committee in March this year and an update would follow at the next meeting in September.

A question was asked as to how internal audit would work across shared services in particular the new joint Control Centre. The Internal Audit Manager confirmed that Oxfordshire and Buckinghamshire Councils had a joint audit service but also the Authority would have full scope to request any internal audits required.

In answer to a question as to whether the current internal audit days were sufficient. The Internal Audit Manager responded that in her opinion the level of audit days was about right and it was encouraging to note that the level of assurance had increased. External Audit was also happy with the programme of work.

RESOLVED –

That the contents of the Annual Report be reviewed and noted.

OA06

DATE OF NEXT MEETING

The Committee noted that the next meeting of the Committee would take place on Wednesday 24 September 2014 at 10.00am.

THE CHAIRMAN CLOSED THE MEETING AT 11.00 AM