

Minutes of the meeting of the OVERVIEW AND AUDIT COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 11 MARCH 2015 at 10.00 am

**Present:** Councillors Exon, Glover, Huxley, Watson (Chairman) and Wilson

**Officers:** G Britten (Director of Legal and Governance), L Swift (Director of People and Organisational Development), D Sutherland (Acting Director of Finance and Assets), M Gibb (Internal Audit Manager), J Parsons (Head of Service Delivery), K McCafferty (Head of Human Resources), S Gowanlock (Corporate Planning Manager), M Hemming (Head of Finance), M Grindley (External Auditor EY) and D Guest (External Auditor EY)

**Apologies:** Councillors Bendyshe-Brown, Chilver, Mallen, Vigor-Hedderly

**0A24 MINUTES**

RESOLVED –

That the Minutes of the meeting of the Overview and Audit Committee held on 3 December 2014, be approved and signed by the Chairman as a correct record.

**0A25 PROTOCOL ON MEMBER AND OFFICER RELATIONS**

The Director of Legal and Governance introduced the Policy Statement and informed the Committee that he was recommending two additional changes to the revisions already highlighted in the revised draft:

That “unitary authorities” in clause 5.2 be changed to “local authorities”; and that “part eight of this document” in clause 5.5 be changed to “part nine of this document”.

These additional amendments having been read into the revised Protocol on Member and Officer Relations, it was

RESOLVED –

That the revised Protocol on Member and Officer Relations be approved and recommended to the Authority for adoption.

**0A26 2013/14 STATEMENT OF ASSURANCE**

The Corporate Planning Manager introduced the Statement of Assurance and gave an outline of the contents of the report.

In answer to a question raised regarding the increase in the numbers “killed and seriously injured in road traffic collisions” it was explained that the rise in numbers was due to an increase of incidents in the Milton Keynes area, the numbers in the rest of Buckinghamshire were down. A number of initiatives were being looked at in the Milton Keynes area to raise awareness. It was suggested by a member that inclusion of last year’s figures would be helpful for comparison.

In answer to a question as to why the hyperlink in the Statement of Assurance to “payments in excess of £500” could not be opened, the Head of Finance explained that it would have been because it was being updated but would be back up as soon as possible.

RESOLVED –

That the 2013/14 Statement of Assurance be approved by the Overview and Audit Committee and signed off by its Chairman

**OA27 CORPORATE RISK MANAGEMENT POLICY**

The Corporate Planning Manager introduced the Corporate Risk Management Policy and explained that the updating of the policy was the final recommendation to be completed following an audit review on Risk Management in 2014.

Following a question regarding how risks are measured using both past events and likely risks in the future, it was explained that this was an ongoing process and was looked at in conjunction with financial, population growth and other events as the Authority was made aware of them.

The Head of Service Delivery informed the Committee that the Authority's IRMP dealt with operational risks; and that the Authority in conjunction with other fire and rescue authorities arranged exercises to plan for emerging operational risks such as terrorism.

**RESOLVED –**

That the Committee recommend the Corporate Risk Management Policy set out at Annex A to the Executive Committee for approval.

**OA28 CORPORATE RISK MANAGEMENT**

The Corporate Planning Manager introduced the report and informed the members that there had been one change to the risk register since last reviewed by the Overview and Audit Committee on 3 December 2014.

The risk to the Control Room continuity of service following the delay to the Thames Valley Control implementation had been evaluated and given a score of ten (probability two and impact five).

RESOLVED –

That the status report on identified corporate risks be reviewed.

**OA29 INJURY AWARDS: VERBAL UPDATE**

The Director of Legal and Governance recounted the recommendations that had arisen from the investigation into injury awards and that these had been accepted by the Authority at its February meeting. Taking into account the Authority's resolutions the upshot was that the Director of People and Organisational Development was tasked, in consultation with the Lead Member for Human Resources and Equality and Diversity, to review arrangements for the administration of its pension fund.

Secondly, the Authority had agreed that the acting Chief Finance Officer in consultation with the Chairman of the Overview and Audit Committee should review arrangements for external audit and financial assurance.

The Director of People and Organisational Development and the Acting Director of Finance and Assets were therefore asked to provide any update to the Committee on the implementation of the recommendations.

The Director of People and Organisational Development explained that a team had been set up to review the current administration of the Authority's Firefighters Pension schemes and would be drafting new specifications regarding requirements for the continued administration of

the current pensions schemes. With the introduction of the new Firefighters Pension scheme in April 2015, bringing the total number of schemes running to four, the review team would also be looking at how this would affect the running of the schemes both locally and nationally.

The Chairman commented on the complexity of running both old and new schemes and requested that the Committee be provided with an update in approximately six months' time.

In respect of the acceptance by the Authority of the recommendation that processes for handovers between leavers and joiners, in particular senior managers, should be reviewed, the Director of People and Organisational Development explained that amendments had been made to the Recruitment Procedure to incorporate handovers from staff joining and leaving. This had already been put in place and would be incorporated in all recruitment within three months.

With regard to the Authority accepting that a policy within Human Resources for dealing with injury awards under the 2006 Compensation Scheme to complement the policies addressing ill-health retirements should be developed, it was reported that the Human Resources team were in the process of introducing a policy outlining the procedure for retiring on ill health or injury grounds.

The Acting Director of Finance and Assets explained that following the recommendation in the report relating to financial assurance the audit team from the external auditors had been changed. Maria Grindley and David Guest the Authority's new external auditors from Ernst & Young and were introduced to the meeting.

Commenting on the recommendation that the Authority should support efforts within the Fire Finance Network to encourage greater information sharing and cooperation on financial matters, the Acting Director of Finance and Assets reported that he was keen to work closely with the Fire Finance Network to keep up to date with other Financial Directors regarding new developments in pension administration and other matters of shared interest.

**OA30 INTERNAL AUDIT REPORT: UPDATE OF PROGRESS OF THE ANNUAL AUDIT PLAN**

The Internal Audit Manager stated that the purpose of the report was to update Members on the progress of the Internal Audit Plan and the implementation of recommendations. Four audits had been completed since the last Overview and Audit Committee, two at the final report stage and two at the draft report stage.

RESOLVED –

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

**OA31 INTERNAL AUDIT REPORT: FINAL AUDIT REPORT CORPORATE GOVERNANCE 2014/2015**

The Internal Audit Manager outlined the findings and recommendations in the Corporate Governance report.

RESOLVED –

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

**OA32**

**INTERNAL AUDIT REPORT: DRAFT INTERNAL AUDIT STRATEGY AND ANNUAL PLAN 2015/16**

The Acting Director of Finance and Assets outlined the annual plan for 2015/16. It was explained that following meetings with the Internal Audit Manager some flexibility had been built into the 2015/16 plan so Audits can be directed to the most appropriate areas.

RESOLVED –

That the latest Internal Audit Strategy and Plan for 2015/16 be approved.

THE CHAIRMAN CLOSED THE MEETING AT 11.05 AM